THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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HOME MARKET IS BEST MARKET FOR FARM PRODUCTS

Bulk of Production Sold for Consumption in Canada

PRICES BETTER, TOO

Decline at Home Less Than in Outside Markets During Recent Adjustment—General Business Outlook

Some little disappointment and apprehension has naturally been occasioned in certain sections of Canada by last Tuesday's vote in the British House of Commons against the retention of the McKenna duties. It seems probable that the change may have an adverse effect upon the export of automobiles from Canada, as well as retarding the establishment of new American branch plants in the Dominion. At the same time it is pointed out by recognized authorities in the industry that American automobile firms which already have branches here are unlikely to make any change in the way of discontinuing their operations in this field. Moreover, it would seem more attention might well be paid to the home market. The post-war enthusiasm for exploiting new foreign markets tended to divert our attention from the importance of the domestic market, and it probably requires a definite rebuff to our export trade to bring us back to a realization of the fact that after all our products and trade outlook are very similar to those of the United States where foreign trade is but a small percentage of the total.

What has been said may or may not apply to industry as a whole, but it is singularly applicable to the agricultural industry. Everyone recognizes the dependence of Canada on agriculture, but that the dependence is mutual is not so generally taken account of. An analysis of the distribution of farm products shows just how important to the farmer domestic consumption is. During the calendar year 1923, Canada consumed approximately three-quarters of her agricultural output. Out of a total of $1,337,929,000, more than $985,800,000 worth was consumed at home, while the value of exports was $356,330,000. The various items were as follows:

	Exports	Home Consump.
Field crops . . .	$283,829,00	$615,337,000
Farm animals . .	12,658,000	69,744,000
Wool	1,989,000	1,171,000
Dairy products .	38,343,000	188,013,000
Fruits & veg. . .	13,047,000	45,169,000
Poultry & eggs	2,000,000	56,647,000
Fur farming . .	516,000	. . . . . .
Maple products	566,000	1,022,000
Tobacco	. . . . . .	3,518,000
Clover & grass seed	3,382,000	978,000
	$356,330,000	$981,599,000

The above table emphasizes the paramount importance of the domestic market for agricultural products.

And as to Prices Too

Following the question of markets a step farther into the domain of prices, it will be found that the home market has been more favorable not only from the standpoint of quantity sold but also from a standpoint of values. The price of those products which are consumed at home have declined less from pre-war levels in almost all cases than have the prices of exported products. The index number for wheat, based on the annual average, dropped from 176 in 1914, to 123 in 1922. On the other hand the prices of home-consumed products either increased or remained fairly stable in nearly all instances with a few notable exceptions. The farmer is thus practically independent of foreign markets, and his prosperity will return with the

(Continued on page 4)

Canadian Conditions

Car Loadings—Year to date—			
	1923	1924	
	866,390	945,381	+ 9.1%
Building—Four Months—			
	1923	1924	
	$33,140,417	$26,411,010	—25.4%
Bank Clearings—Four Months—			
	1923	1924	
	$4,466,340,359	$4,716,278,718	+ 5.6%
Grain Movement—Shipped to date—			
	1922 crop	1923 crop	
	280,033,524 bu.	343,563,779	+22.6%
Savings Deposits—Chartered Banks—			
	1923	1924	
	$1,218,295,721	$1,192,589,899	— 2.1%
Current Loans—By Banks—			
	1923	1924	
	$1,058,236,482	$1,006,913,916	— 5.1%
Net Dominion Debt—			
	1923	1924	
	$2,430,202,552	$2,409,326,639	— 8.6%
Railway Earnings—Four Months—			
	1923	1924	
C.P.R.	$49,906,000	$53,502,000	+ 7.2%
C.N.R.	74,745,176	75,835,721	+ 1.4%
Balance of Trade—Twelve Months—			
	1923	1924	
Exp.	$945,295,837	$1,058,553,297	+11.9%
Imp.	802,579,244	893,335,491	+11.3%
Bal.	142,716,593	165,217,806	+15.7%

Canadians Deal in U. S. Real Estate

A Los Angeles paper recently announced the sale of a property there by E. R. Wood, the Toronto financier, for $300,000, and a Jacksonville, Florida, paper told of the sale of a property in the Seabreeze area by H. P. Eckardt, the Toronto wholesale grocer, for $600,000.

Sentiment is in Favor of the Embargo

Special Correspondent.

OTTAWA.—The Pulpwood Commission is meeting here this week to have assembled a great mass of information which has not yet been fully studied and digested, and it is understood no conclusions have been arrived at. There is no doubt that sentiment throughout the country is strongly in favor of an embargo on the export of pulpwood, but from the evidence there are a goodly number of farmers and settlers who received considerable income from their sales of wood cut from their own farms. In Ontario particularly there is a heavy cut of poplar for which the U. S. is the chief market, and to prohibit them might be a hardship. It is unfortunate that U. S. interests were very active in making a case while the Canadians, trusting to the strong nation-wide sentiment for manufacturing the wood into paper in this country, have not been as active as the others.

Judging from the views expressed by members of the House, there is no doubt but that when the matter again comes before them an embargo will be favored. It may not be put on at once, and when it comes it may come in the form of an export tax, to be annually increased until it amounts to an embargo. This will be supported by the Western members to whom the appeals of the American paper interests of ruin to their plants in the States will meet with no sympathy. They say the Americans acted most unjustly and gave no consideration to the Canadian farmer and stock raiser when they put crushing duties on his products that spelled ruin to many of them.

There has been a noticeable change of sentiment among leading Liberals in the House on this question. Some of them who know the situation in the States say there is far more fear among Americans interests of what Canada might do in the way of export duties and embargoes if goaded into it by the continuous nagging of American politicians playing to special interests. Even in the matter of Canadian wheat, which is a very vital factor to their mills and daily interests, it is now believed that if Canada would propose an export duty of 42c. on wheat the same as the U. S. import tax, the U. S. flour mills and stock interests who buy the offal for feeding across the border would be very quickly heard from and are so powerful that the present duties on wheat would be removed.

Quebec Expects Tourists To Spend Sixty Millions

From Our Own Correspondent.

MONTREAL.—The Province of Quebec Tourist Association is now getting finally organized. The association will map out points of interest in this province; classify the accommodation available, especially on the national highways; and ascertain means of improving such accommodation to give comfort to tourists.

It is expected that $60,000,000 can be brought into Quebec annually by tourists.

CARRIAGE FACTORIES MAKING YELLOW CABS

Canadian Company to be Closely Affiliated With the Orillia Concern

Special Correspondent.

ORILLIA.—In an interview with THE FINANCIAL POST, one of the directors of Carriage Factories, Ltd., states that an arrangement has been completed whereby Yellow Cabs will be manufactured at the Orillia plant of Carriage Factories for Canadian and British markets. An official of the Yellow Cab Company has been in Orillia during the past week assisting in the placing of orders for materials.

It was the original intention of the Yellow Cab Manufacturing Company to establish a Canadian plant in the province of Quebec, but negotiations conducted by officials of Carriage Factories resulted in a mutually satisfactory arrangement for their location in Orillia. A Canadian company has been organized with a Dominion charter, to be known as the Canadian Yellow Cab Manufacturing Company, as a subsidiary of the Chicago concern. Bodies for the Yellow Cab will be manufactured by Carriage Factories, Ltd.

The Canadian Yellow Cab Manufacturing Company has leased space in the Carriage Factories building and the chassis will be assembled there. The first order to be put through will be a substantial one for London, England.

RUSSIAN MISSION NOT RECOGNIZED BY GOVERNMENT

Minister Says it is Here Only as a Trading Delegation

Special Correspondence.

OTTAWA.—There is some misunderstanding about the Russian Trade Mission in Canada. The Soviet has been trying for years to obtain diplomatic or consular standing in Canada. This recognition has always been refused by the late and present governments. Unfortunately the Soviet agents, wherever they are, have an unusual pull with the press and thus are able to convey most favorable and generally false impressions to the public. The authorities in nearly all countries now know that these commercial missions are blinds—as has frequently been shown in THE FINANCIAL POST — for Soviet propaganda, and the same seizures of literature have been taking place in other countries as in Canada; but in Canada we are too easy—we do not arrest the agents.

The latest exposure was in Germany, where they arrested the Soviet minister and confiscated enormous quantities of radical propaganda of a revolutionary character. It is true that German industrialists and financiers have been at the back of and have financed the Soviet, but the great mass of the better class Germans have been opposed. Now, however, that Germany has got complete control of Russia, and has had the war settlement revised to suit her plans, the Soviet tools and their operations are being set aside. This policy will be speeded up now that a government friendly to these German interests has come into power in France.

As far as official Canada is concerned, the Minister of Trade and Commerce, Hon. T. A. Low, an experienced business man and manufacturer, never allowed us to be misled by talk. This week, in answer to a formal inquiry from the Canadian Manufacturers' Association, he has sent the following official letter which, should clear up the numerous claims of the Soviet agents. Hon. Mr. Low says:

"May I say that the Canadian government has taken the attitude that these Russian delegates are here only as a trading delegation and has taken no action in the matter. This delegation states that it desires to form business connections in this country and is in need of certain purchases which it contemplates making here. The Canadian government, however, accepts no obligation in the matter nor does it issue any guarantee. Any transactions carried on between this delegation and any Canadian business firm must be on a purely private business basis. The government of Canada recognizes the freedom of any of its citizens to engage in trade in any part of the world and therefore offers no objection to the presence in the country of a delegation already accepted by the British government, but assumes no responsibility for any transactions transpired between this delegation and Canadian business houses."

CHEAP POWER BRINGS INDUSTRIES HERE

American Manufacturers Looking to Canada to Establish New Branch Plants

From Our Own Correspondent.

NEW YORK.—There is apparent in the eastern United States a revival of interest on the part of American manufacturers in the possibilities of eastern Canada as a location for a branch plant. So your correspondent is told by local representatives of Canadian banks who make a practice of keeping in touch with such developments. One of them told THE FINANCIAL POST that interest is so keen that two of the leading American business magazines will publish articles dealing with the industrial attractions of Canada within the month. Both will stress the cheapness of power as obtainable in Canada.

Tourist Business Pays 85 Per Cent. of Interest on U.S. Loans to Canada

From Our Own Correspondent

OTTAWA.—Those closely in touch with the tourist traffic, estimate that the Americans are now spending annually for travel, accommodation and sight-seeing generally in Canada an amount equal to about 85 per cent. of their total annual return on the securities that they have brought from this country. So large has this revenue become that many now think it has built up in favor of Canada an invisible balance of trade so large as to offset almost the unfavorable trade balance.

The Dominion Parks Branch estimates the total returns from the tourist traffic for the Dominion last year at $136,000,000, and one is safe in saying that 90 per cent. of this, possibly more, is to be credited to Americans. which would place their spending at fully $90,000,000.

The total return on American investments in Canada runs something over $100,000,000 a year, which includes other things than interest on securities, so that the estimate that tourists from the United States spend in Canada 85 per cent. of all the money they receive on the Canadian securities held in the United States, seems to be quite warranted.

It is well known that some New York financiers have been puzzled by the strength shown by Canadian funds across the line, and that in spite of the low Canadian borrowings over there this year. The proceeds from the sale of last year's great grain crop have created a large favorable balance which is transferred from London to meet Canadian obligations in New York; but it is doubtful whether this explains fully the steadiness of Canadian funds over there. A much better explanation seems to be that American tourists are traveling in Canada and using Canadian transportation facilities to a far greater extent than has been realized, and thus are building up a much larger invisible balance in favor of this country than has been suspected.

Official returns show that the number of touring automobiles admitted during 1923 for a period not exceeding 24 hours, was 1,662,200, or over double the number for the preceding period; while the number admitted for one month was 273,444, or about 100,000 more than in 1922.

Robert Forke, Progressive Leader, on Government's Fiscal Policy

Address on the Budget of the Man Who is Influencing, if Not Actually Dictating, the Tariff and General Taxation Program of the King Administration

OTTAWA.—The developments in connection with the budget and the fiscal program of the government have indicated that if the tariff policy of the administration is not actually dictated by the Progressives, at least the Western faction has had a large influence in the changes which have been introduced. What business is wondering to-day is how far this same influence will affect the national policy of the future. It is, therefore, important that businessmen should understand the attitude of Robert Forke, leader of the Progressive Party, on economic questions. Following is a verbatim report of his speech on the budget in the House of Commons:

Mr. Speaker, in rising to speak on the budget I do not wish to take up much time in discussing either protection or free trade from a theoretical point of view. A number of years ago I had a friend who was a professor of economics, and he made the statement that no one could teach economics without teaching free trade. However, I am not going to occupy any time in discussing the question—in fact it would be needless—nor, in speaking of a low or high tariff, to add anything to the eloquent, instructive and convincing address that was delivered here the other evening by Mr. McMaster.

I shall devote the time at my disposal to reviewing to some extent the conditions that exist at present in Canada, and I shall say a few words upon some of the difficulties that face us and the possible means for overcoming them. Since the fateful days of August, 1914, we have been living under entirely new conditions. Nations everywhere have been seeking for some way out of the difficulties which now confront them, trying to adjust themselves to the new conditions which have arisen, and to resume their normal course of progress. In almost all cases this has been found to be no easy task. Captain Sinclair, speaking the other day before the Canadian Club in the Chateau Laurier, made the statement that throughout the whole continent of Europe the material and economic conditions could be characterized as nothing but shreds and patches. He also made a further statement, that to me suggested cause for anxiety—that in a great portion of Europe to-day moral and religious feelings have almost ceased to exist. I hope, Mr. Speaker, the latter statement is not true, because if religion and morals go all will go. I hope that the conditions in that respect at least are nothing like as bad as Captain Sinclair portrayed, after having made a tour of Europe which lasted almost three years. I think he also made the statement that in Italy the population was increasing rapidly and production decreasing—that there were more feet below the table and less food on the table. Now, that is the state of affairs we find at the present time; thirty-six nations trying to adjust themselves to new conditions, to new physical boundaries not always drawn in conformity with race, or religious belief, or even economic interests. What are these nations doing at the present time? We find them building up high tariff walls, making it more difficult to have a free interchange of commodities, keeping alive the passions, the hatreds and jealousies that have worked so much evil in that old continent up to the present time. I think every student of history will admit that after wars have passed away, after the din and the tumult have died down, and people have the opportunity to consider just what the causes of those wars were, it has generally been found that they originated in desire for territorial aggrandizement or commercial expansion. I claim, Mr. Speaker, that the confusion in Europe to-day is greatly intensified by the fact that the nations there have not cultivated any friendly sentiments in the way of commercial intercourse or interchange of commodities; they have rather built up high tariff walls one against the other. We are getting no light or leading from the continent of Europe to-day.

Now, we are told continually that because other countries are adopting high tariffs we should do the same. But that is one example that I am not prepared to follow. When we come to Great Britain what conditions do we find there? Think of those wonderful islands, think of Great Britain the mother of nations, and her tremendous achievements! In these days I think we are very proud of the Old Land. With your permission, Mr. Speaker, I shall read

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Insulls After Northern Canada: Might Mean Much to Hollinger

It is learned that the Insull interests, of Chicago, are negotiating to take over the properties of Northern Canada Power Company, which is controlled by the Fasken group in Toronto. It is quite possible that an early deal can be arranged for the change of control which would be followed by further expansion of the new group in the power field in Northern Ontario.

Northern Canada Power has for a number of years supplied power to the mines of Northern Ontario from plants of a capacity of 29,000 h.p. It has recently been developing an additional 20,000 h.p. on the Quinze River, utilizing the proceeds of a $4,500,000 bond issue floated last spring. Further power resources of 40,000 h.p. are controlled by the company.

Some speculation is in order as to what the change of control would mean to Hollinger Gold Mines which has suffered very seriously from power shortage in the past few years and which has never been able to get into the full stride of its production because of this lack of sufficient power.

Hollinger and the Northern Canada Power folks have never been able to come to satisfactory terms and Hollinger has proceeded to develop its own power at a site in Northern Ontario. But the Hollinger management is not anxious to be in the power business; would prefer indeed to be out of it and to concentrate on strictly mining and milling activities.

New interests in control of Northern Canada Power would make it easier for Hollinger and the power company to come to terms, and this might mean that Hollinger's power company would be absorbed by Northern Canada Power.

RILEY CONFIDENT IN WEST'S FUTURE

And This is the View of One Who Foresaw the Collapse Which Came in 1920

WINNIPEG.—W. P. Riley, the president of Western Grocers Limited, in his address to the shareholders at the annual meeting this month expressed his views of the future. Mr. Riley was one of the wholesalers of the West who foresaw the collapse which occurred in the trade of Canada in 1920 and who gave public warning with reference to it long before the actual difficulty developed. In view of his foresight at that time it is of interest to note that he and his associates have firm faith in a prosperous future for western Canada and for the company. The improvement, he said, may not be much in evidence this year, but it is on the way. With reference to the common stock of the company, almost all of which is held in eastern Canada, he made the statement that there were some physical assets behind it and that the good will of the company was also a valuable asset and that this asset would materialize in time. The company has no bonded indebtedness. Bank money is used in large volume, but the position of the company, he said, was entirely satisfactory to the bankers who were in possession of every detail with reference to the business.

SENATE MAKING EFFORT AT CIVIL SERVICE REFORM

Suggestions Made to Eliminate Wasteful Features

SIXTY-FIVE BUILDINGS

Civil Servants Spread All Over the City — Great Deal of Overlapping in Departments Reported

From Our Own Correspondent.

OTTAWA. — The Senate, from which much more can be expected in civil service reform, and reduction of national expenditure than from the House of Commons, has at last made a real effort to get somewhere in these matters. It has had a committee on the civil service quietly working, and the other day it forwarded to the various deputies a number of criticisms respecting the Service that had come to it, and asked for an opinion thereon.

Of more importance still is a memorandum from the Civil Service Commission which that body was to prepare respecting the Service. The Commission points to the following and makes suggestions:

1. Of the wasteful distribution of Government offices in 65 buildings in Ottawa.
2. The Government's engineering and survey work is at present carried on independently by four major departments.
3. A similar criticism is levelled against the accounting, purchasing, translating, legal, library and other services.
4. A similar organization is maintained for the collection of the income tax, which should be absorbed into the Department of Customs and Excise.
5. The Government telegraph service should be absorbed into the Canadian National Railways organization.
6. Printing and distribution of Government publications should be considerably curtailed.
7. If possible the Departments of State and External Affairs should be amalgamated.
8. The seven branches of the lands work of the Department of the Interior should be consolidated.
9. The purchase and up-keep of motor vehicles should be curtailed, and a considerable saving effected on travelling expenses.
10. Mechanical devices and systems should be introduced into the statistical

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Many Scandinavians Coming to Canada

NEW YORK.—From 15,000 to 20,000 Scandinavians are expected to enter Canada during the coming summer, according to estimates made by local officials of the various Scandinavian steamship lines. The heaviest immigration will probably be from Sweden with Norway a close second. Recently industrial and agricultural conditions have been none too good in Sweden, Norway and Denmark, and emigration has, as a result, been increasing.

Most of the prospective emigrants are said to be farmers. All of them are said to have money. Most of them plan to settle in the Canadian West.

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NOTICE is hereby given that a dividend at the rate of 8 per cent. per annum upon the Paid-Up-Capital Stock of the Union Bank of Canada, has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Monday, the Second day of June, 1924, to shareholders of record at the close of business on the 17th day of May next.

The Transfer Books will be closed from the 19th to the 31st day of May, both days inclusive.

By order of the Board.
J. W. HAMILTON,
Winnipeg, April 15th, 1924. General Manager.

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ECONOMIST SEES BROAD CHANGE IN U.S. INDUSTRIES

Locations Shift to Meet the Rising Costs of Labor

CANADA IS AFFECTED

High Wages Have Attracted Canadians, But Are Working to Send American Capital to Other Countries

Discussing the effects of the present American immigration policy upon the labor situation in the United States recently, Dr. Benjamin M. Anderson, Jr., economist of the Chase National Bank of New York, makes certain observations which have a significant bearing upon the future development of Canada. In the course of the address Dr. Anderson said: "In the second place we may expect a very considerable shifting within the United States as between different parts of the country. It has been the northern half of the Atlantic seaboard where the rise in wages has been most rapid. Industry, consequently, has been shifting from the Atlantic seaboard to other parts of the country. In cotton textiles, notably, there has been a very decided shifting from New England where wages are very high, to the South where wages are still much lower. Labor, moreover, has been shifting from the South to the North, and from the country to the industrial centres. These movements will tend to go on with the resultant leveling up of wages in the interior of the country, and ultimately a leveling down of wages on the Atlantic seaboard. A contributing factor is the higher general level of freight rates which tends to encourage in any case the development of local manufacturing centres close to the source of raw materials in various parts of the country. Another contributing factor is the depression of agriculture as compared with manufacturing."

It is this migration of labor to those industrial centres where wages are higher that has been draining the eastern part of Canada of man power. Census statistics show that the balance of migration between the United States and Canada is favorable to the latter, as far as the West is concerned, but in the East, Canada has lost steadily for a long period, as a consequence of the proximity of the highly industrialized area along the North Atlantic seaboard. It may fairly be assumed that the immobility of labor precludes such migration over long distances, and that the decentralization of industry which is already under way, followed by the distribution of such industry over widely-separated areas in the interior, according to the location of raw materials, will, of necessity, limit the efflux of Canadians which is one of our serious national problems. This process combined with the leveling down of wages which the article discusses, along the North Atlantic seaboard, is a highly important development from the Canadian viewpoint, and is destined, if the premises are correct, to reverse the direction of migration across the international border.

In discussing the results of such an adjustment in wage scales in the United States, Dr. Anderson states further that "the situation creates an increased inducement to American capital to seek foreign investment," presumably in countries having somewhat lower wage levels. The popularity of Canadian investments as well as their proximity to the United States as a source of capital, gives Canadian investments a favored position in relation to this movement of American capital. It is thus highly probable that the gradual decentralization of United States industry, which is already underway to some degree, is destined to react to the benefit of Canada.

Says Price Fixing Will Hit Business

WASHINGTON. — Price fixing is going on as never before, Chairman Thompson, of the Federal Trade Commission, declares, predicting that if it continues "we will have a collapse that will wipe out the business structure."

"This is what happened after the Civil War," he said.

"We will repeat the economic war which followed that conflict and ended in the panic of 1873 unless we change our ways."

The Grain Movement

OTTAWA.—Preliminary figures showing the receipts at the Head of the Lakes also Vancouver, B.C., for the period from September 1, 1923 to May 2, 1924.

	Fort William and Port Arthur	Vancouver
Wheat	245,281,903	42,619,289
Oats	34,146,036	322,231
Barley	12,530,252	46,285
Flax	3,691,916	......
Rye	4,735,872	189,995
Totals	300,385,979	43,177,800
Sm. per. 1923	264,809,165	15,224,359
Increase. ..	35,576,814	27,953,441

BIG TOBACCO CROP EXPECTED

With favorable spring conditions continuing, the tobacco crop for 1924 in Essex County will in all probability total 10,000,000 pounds, according to an estimate prepared by the Provincial Department of Agriculture. Last year the crop was ruined by frosts, but this year the growers are seeding a larger acreage than ever and a renewed effort will be made to bring back the tobacco industry to its former position of importance in this country.

Railways Continue to Show an Improvement

The progress which was indicated in the January report on Canadian railway statistics published by the Dominion Bureau was continued in a still larger way during February. Net operating revenues for the month were $33,940.37 higher than for the same month last year, while the operating ratio dropped from 106.72 per cent. to 95.47 per cent. In comparison with February of last year freight traffic was 24.2 per cent. and passenger traffic 14.2 per cent. heavier; freight revenues were 15.7 per cent. higher and passenger revenues 11.2 per cent. higher. Despite the increase in traffic, total operating expenses increased by only 1.8 per cent.

An analysis of the above figures shows the relative progress being made by the two great railway systems. In regard to freight traffic, Canadian National figures showed an improvement of 24.5 per cent. and those of the Canadian Pacific 29.4. In passenger traffic, the former increased by 15.8 per cent., and the latter by 12.9 per cent.

The entire Canadian National System, including lines in the United States showed an increase in revenues of $1,728,191, a decrease in operating expenses of $774,694, and a reduction in operating deficit of $2,502,885.

IMPORTANT TOPICS MORTGAGE MEETING

Western Problems to be Discussed in Reports and by Speakers at Winnipeg

From Our Own Correspondent.

WINNIPEG.—Problems concerning agriculture in Western Canada and the credit position of the farmer in particular will be considered at the annual meeting of the Dominion Mortgage & Investments Association which opens on Monday at the Royal Alexandra Hotel. The subject of changing conditions in agriculture will be introduced by Professor Lee, of the Agriculture College. The future of farming will be discussed by J. D. Haney, of the demonstration farm of the International Harvester Company, of Grand Forks, N. D. Premier Bracken, of Manitoba, will speak on "How to meet changing conditions in agriculture." Professor J. M. Brown will deal with live stock on the farm, and J. Gatch, manager of the Manitoba Cattle Loan Company, will give an address on "Experiences in making loans on live stock in Manitoba."

Immigration in relation to agriculture and the mortgage situation will be discussed by Thomas Gelley, acting commissioner of immigration for the federal government. H. E. W. Phair, manager of the investment department of the Canada Life, will speak on the possibilities of the co-operative disposition of foreclosed lands. The question of the employment of capital in agriculture will be discussed by J. W. Hamilton, general manager of the Union Bank, and C. C. Ferguson, of the Great West Life.

The report of the executive will be presented by President J. C. Breckenridge, and the report of the membership committee by A. D. Langmuir. A special report on municipal finances will be presented by E. M. Saunders. A report by G. H. Smith will deal with Eastern legislation, while the subject of Western legislation will be dealt with in a series of reports—E. H. Davis, K.C., of Winnipeg, on Manitoba; D. J. Thom, K.C., of Regina, on Saskatchewan, and W. T. Creighton, W. Toole, R. D. Tiche, and A. C. Balachey, on Alberta, and G. H. Dorrell on British Columbia.

At the dinner on Monday evening the guests of honor will include G. E. F. Orde and Joseph Chapman, prominent Minnesota bankers.

OBJECT TO GRADING MARKS ON CHEESE

British Buyers Look for the Guarantee of the Canadian Exporter

MONTREAL.—"Great Britain is our best customer to-day, and we should give her importers or dairy products what they want, and in the form in which they prefer it." This was the statement made to Canadian Grocer by Arthur J. Hodgson, president of Hodgson, Rowson Co., Limited, on his return last week from a trip to Great Britain.

"The general position in England is that the stocks of dairy products are very much heavier than a year ago, due principally to the heavy shipments from New Zealand. Stocks of Canadian dairy products in Britain are very light, however.

"Prices for dairy products went up and then reacted on the British market, and we do not look for the same range of prices as last year. However, there is no reason why Canada should not get her fair share of the business to Britain, providing we give the importers what they want, and put it in the form in which they want it.

"The Canadian government is talking about branding the grades on boxes of cheese, as Nos. 1, 2 and 3. It may be understood at once that the British importers will not buy by grade, but are willing to pay more for cheese if it can be exported with a guarantee of quality delivered in England.

"The Canadian exporter has no objection to buying cheese on government grading, but the Montreal exporters feel it is a great mistake to put the gradings on the boxes, because the British importer will not pay as much for grading marked on the boxes, as he will without. The British importer sells this cheese on his own brand, and relies on the Montreal exporter sending him the quality that suits that particularly brand. But they do fear that by buying on government brand they will not get the same quality as they would if the product is guaranteed by the exporter in Canada."

DAWES REPORT A BIG INFLUENCE IN EXPORT TRADE

Will Germany be a Buyer or Seller of Goods?

The probable effect of the operation of the Dawes plan is one of the leading subjects of interest at the moment to business men and manufacturers throughout the United States and Canada. The dominant interest of America is certainly in the direction of seeing Europe stabilized and started more definitely upon hte road to recovery. At the same time Europe's economic recovery must occasion a degree of adjustment on the part of business and industry in those countries whose wage levels are higher.

For a considerable period after the war the depreciated state of central European currency, particularly that of Germany, along with low production costs, subjected certain Canadian and American manufacturers to keen competition. Gradually, however, Germany's internal costs mounted and her productive capacity declined to such a degree that competition in most lines ceased to be a serious problem. What had to be considered was the lowered purchasing power of Germany—a factor which materially lessened her ability to buy Canadian products.

If, under the Dawes plan, the economic recovery of Germany should be rapid, the question arises as to whether this process will not again create severe competition for the industry of the American continent. With the economic liberation of the Ruhr, will German industry again recover the enviable position she held in foreign markets prior to the war? According to reports her plants are in excellent shape, and, with her lower wage scales, the United States and Canada would presumably be a most desirable market. It would seem that the United States has less to fear in this respect than has Canada in view of the recent tariff amendment empowering the President to raise tariff duties on any specific commodity at a moment's notice. On the other hand it is pointed out that the production of manufactured goods has been on a hand to mouth basis in Germnay for so long that domestic demand will absorb the bulk of the output for a considerable time. Be this as it may, it seems to be the accepted opinion that the stabilization of Germany and Europe, and the provision of ample credits for the purchase of Canadian goods in a larger way, is certain to balance any disadvantage which industry may suffer.

POST OFFICE C. O. D. SYSTEM

Figures of the Post Office C.O.D. business for the first three months of 1924 as compared with the same period last year indicate the way in which this system is stimulating mail order buying.

Post Office C.O.D. Business—

	1923	1924
January	19,585	41,700
February	18,950	42,915
March	27,373	52,523

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

Ottawa.—Rolled axle bars for the manufacture of automobile axles, when cut to length and rough sheared only, but not further manufactured, declared dutiable under tariff item 392, and when used in the manufacture of axles for vehicles other than railway or tramway vehicles declared entitled to drawback under tariff item 1007.

Irish Free State.—Important changes in the customs duties on imports into the Irish Free State are embodied in the new budget introduced into the Irish Parliament. The Irish Free State had temporarily been operating under the British tariff, and since April 1, 1923, the duties on imports into Ireland had been practically identical with those into the United Kingdom. The new Irish budget makes some radical changes in this situation, consisting on the one hand of dropping the 33 1-3 per cent. duties on the so-called key industries products, and changing the duties on sugar, confectionery, cocoa, and tea, mostly downward; and, on the other hand, of imposing new protective duties on a number of articles hitherto free of duty, including boots and shoes, certain glass bottles, soaps, candles and commercial motor vehicle bodies.

St. Lucia.—An additional surtax of 2½ per cent. of the import duties is imposed on all goods, other than wheat flour and coal, imported into St. Lucia from March 7 to December 31, 1924, by the customs duties amendment ordinance for 1924.

Costa Rica.—The following construction materials to be used for rebuilding necessary on account of the damage caused by the recent earthquakes in Costa Rica are to be admitted duty free until September 29, 1924. Good quality lumber for construction purposes; galvanized iron roofs, ridges, gutters, and water drains; perforated or unperforated galvanized sheet iron for partitions; galvanized iron mesh for constructing the French system of walls; tinned perforated and expanded steel sheets for walls; fiber board in pieces, sheets, tiles, or other forms exclusively for building construction; patented preparations such as rubberoid and others exclusively for building construction, and fireproof paints.

France.—Exporters and others who may be consulting the table of French tariff rates, are reminded of the "coefficient of increase," or multiplier of basic duties, used in the French tariff. In most cases the rates are shown after the multiplier has been applied, but in a few instances the rate published is subject to increase by a coefficient. Changes have also occurred in some of the coefficients used in the table.

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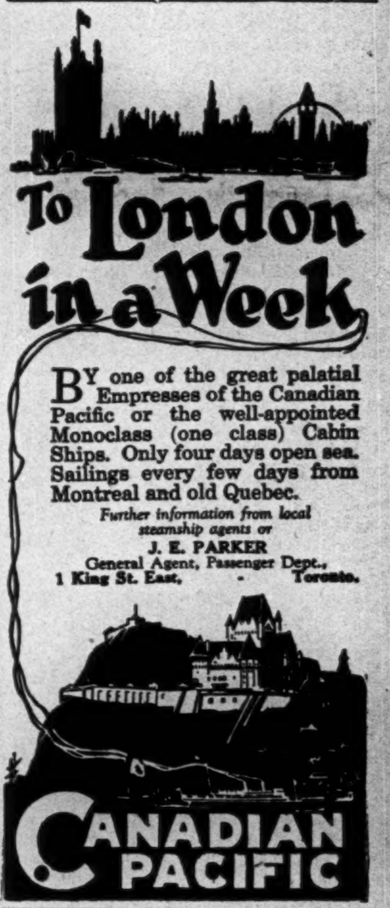

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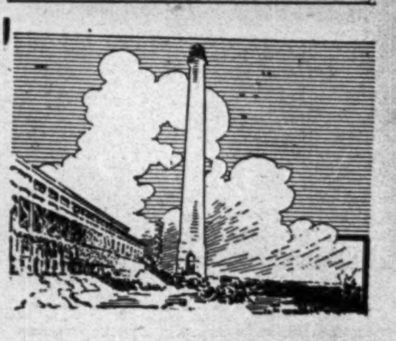

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ALBERTA COAL IS LOSING MARKET IN WESTERN CANADA

Railroads Have Been Buying More From the States

STRIKE NOW FACTOR

Promises to Raise Alberta Costs Even Higher — International Promises of Support Not Yet Made Good

From Our Own Correspondent

CALGARY.—The latest feature in the coal miners' strike in Alberta is the restlessness among the rank and file which has lately become plainly noticeable owing to the non-arrival of relief funds from headquarters of the United Mine Workers of America in Indianapolis. William Sherman, the president of the miners' organization in district 18, has left for the latter city, on what has been termed a "secret" mission. A pretty safe guess is that he has gone to see about the "unlimited funds" promised when the strike was declared on April 1.

Some little time ago it was pointed out that in a published statement it was shown that for 28 months ending November 28, 1923, the international income was $8,747,842 and that during the same period the expenditure was $8,703,722.

Much comment has been raised owing to the deliberate snub given the Calgary Board of Trade by President Sherman. With a view of possibly paving the way for the reopening of negotiations between the operators and miners, the board sent out a questionnaire to both parties. The questions asked touched very nearly the root of the matter in district 18 and answers to them would undoubtedly go a long way towards determining in the public mind where the responsibility rested for the frequent disruption of operations in the coal industry of Alberta.

Miners Ignore Board

It is understood that the operators have replied at considerable length to the questions but all that Mr. Sherman has done is to make some disparaging remarks about the board of trade in general. At the present time it is very doubtful if the miners intend to reply at all.

A warning has been sounded by J. R. Brodie, of Winnipeg, president of the Great West Coal Company, one of the largest wholesaling companies in Western Canada, that Alberta coal is in danger of losing the Manitoba market. This information is contained in a letter Mr. Brodie has written to a representative of the company here.

There was a heavy shrinkage, he states, in the amount of western steam coal used last year, particularly for railroad purposes, this being replaced by the American product. From a reliable source he had learned it was altogether likely that this year, unless there was a substantial reduction in the cost of western steam coal, the whole district as far west as the Manitoba-Saskatchewan boundary would be consuming American coal. Last year the railways, he says, purchased between 400,000 and 500,000 tons from Manitoba territory, the loss of which would be a serious matter to the western producer.

Regarding domestic coal, notwithstanding the fact that these operators had enjoyed a considerable market in Manitoba, the time had now arrived when they would clearly see in the near future that they also were going to be placed in just as serious a position as the steam coal operators.

Mr. Brodie states it was freely predicted in Winnipeg by the retail trade that Drumheller coal, which was the largest domestic product used there, was going to lose out heavily next season. As an illustration the retail coal dealers in Winnipeg were now able to supply Pocahontas egg or stove at $13.50. That coal ran about 14,000 B.t.u.'s as against Drumheller selling at $13 with 10,000 B.t.u.'s. Mr. Brodie added that it seemed rather absurd to him for operators to figure on other outside markets when their market in Winnipeg was anything but assured.

Must Produce For Less

In referring to Mr. Brodie's remarks, R. M. Young, commissioner of the Western Canada Coal Operators' Association, said that Mr. Brodie was probably in a better position than most people connected with the business to know the exact situation. The western producer, however, was not ignorant of the position of affairs; on the contrary he was very fully alive to what Mr. Brodie pointed out and of the great need for a readjustment of the conditions of operation to meet the situation. It should be mentioned, he said, that the competitive conditions in the Manitoba market were only one phase of the general situation confronting the producer in Alberta. The same keen competition had developed in other markets in which Alberta coal had formerly found a market.

Clean Seed Demand Means Better Farms

From Our Own Correspondent

ALBERTA.—Alberta seed growers are looking to this year being the most prosperous ever known in the seed-growing industry. This is the statement of G. M. Stewart, district inspector in Alberta of the Dominion Seed Branch. During the past few years they have brought great honor to the province and themselves in securing the highest awards available at the Chicago International Hay and Grain Show. Alberta growers in 1923 produced and marketed more registered seed than all the other provinces of Canada. In the marketing of this seed it has been distributed throughout the Dominion, as well as many parts of the United States.

One of the most hopeful signs of the times is the increasing demand for pure, clean seed within the province, Mr. Stewart states. By keeping agricultural lands clean, through the use of pure seed, the expense of production would be decreased by eliminating the necessity of weed seed control.

SASKATCHEWAN FARMERS PAID LARGEST TAXES

But Farmers as Whole Paid Very Small Portion of the Total

From Our Own Correspondent

OTTAWA.—The income tax and business profits tax both brought in a total of approximately $470,000,000 since they were first collected in 1916 to the end of March, 1924. As the income tax collections during April were large, it is possible that the combined collections through these two taxes are roughly $500,000,000, but the figures for last month are merely estimated.

To March 31, 1923, the business profits tax brought in $192,334,057, and the collections for the fiscal year just closed were probably $5,000,000. So from the date that this tax was first collected to the present it probably has brought in within one or two millions of an even $200,000,000. Though business was glad to get rid of it, in some respects it seems to have been more satisfactory than the sales tax, for at least firms knew where they were at under it.

The income tax collections to March 31, 1923, were $214,391,174 and if to this figure is added the collections for the last 13 months they should bring the total to approximately $300,000,000, these figures being net. The year 1921-22 was the one of the largest collections, when they touched $78,684,354. The indications are this year's collections should be quite as good as those of last year.

Of the $214,391,174 collected to March 31, 1923, the farmers had paid only $3,293,377. The year 1921-22 was the best for collections in so far as they are concerned, for they came through with $1,324,693, or very nearly three times as much as they were the year after. Saskatchewan farmers have paid 37½ per cent. of all income tax payments made by all the farmers of Canada; Alberta comes next with $744,138; Manitoba third with $559,762, with Ontario next with $431,288. Quebec farmers contributed only $59,757, and those of the Maritime Provinces less than $53,000.

Of the nearly $470,000,000 of income and business profits taxes paid to March 31, 1923, Ontario and Quebec combined had contributed $308,000,000, Ontario's share being a little over $190,000,000. Ontario paid $92,099,254 on income and $98,604,665 on business profits.

LOTS OF MOISTURE FOR ALBERTA CROP

Seeding Somewhat Late but Expected That the Growth Will be Rapid

From Our Own Correspondent

CALGARY.—Spring farming conditions in Alberta, although a trifle late, are extremely encouraging owing to the splendid moisture in the ground, with the exception of two or three isolated districts, which at the present time is ample for germination and early growth. Rapid progress is being made with seeding, latest reports from the south country being to the effect that 75 or 80 per cent. of the wheat is now in. In the eastern section of the province from 40 to 50 per cent. has been completed, while in the north the work is being pushed quickly on.

The indications are that there will be an increased acreage in wheat this season nothwithstanding the fact that there was less fall ploughing done last year than usual and also less spring ploughing owing to farmers being busily engaged in hauling their big crops. For that reason many farmers are taking the chance of merely discing some portion of their stubble land trusting to another wet season for a crop. While such farming methods are, of course, to be condemned, it has in many cases been a matter of Hobson's choice.

There will also be an increased acreage in barley, and in some of the southern districts much more fodder crops will be grown, particularly corn and sweet clover.

It is generally expected that all seeding will be completed much about the same time as last year, but owing to the moisture the growth will be much more rapid. As a matter of fact in quite a large number of districts the wheat is already above ground. Another important factor is that owing to the new Seed Act there has been a much better quality of seed sown this year than ever before.

BETTER BUSINESS AT LANDS OFFICE

CALGARY.—Total receipts of $54,420 for the month of April as against $34,084 for the corresponding month last year, were recorded in the monthly report of the Calgary land office. Mine lands topped the list with a total of $31,223 as compared with last year's $21,310. A considerable increase was also registered in the school lands branch which returned $6,544 as against $2,197 last year.

The returns from the other departments were: Patents branch, $6,784; timber and grazing, $3,700; and seed grain payments, $1,828. Last year there were no collections from seed grain payments.

60 CARS OF B.C. SHINGLES TO U.S.

Sixty carloads of British Columbia red cedar edge grain shingles were shipped from Vancouver to Chicago and Eastern States. This is the largest solid train of this B. C. product to be hauled across the continent, and is one of several others to be shipped in the near future.

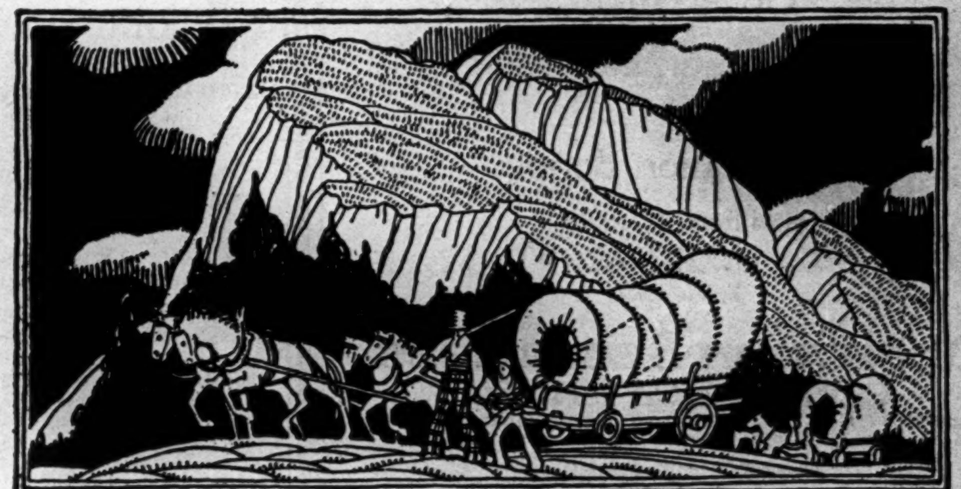
To Give Industry Advantage of Lean Years in Taxation

Although the Goulds Manufacturing Company, of Seneca Falls, New York, in which there is a large Canadian interest, showed net profits for 1923 of over $180,000, the company was not called upon to pay income tax. In his report to the shareholders, N. J. Gould, the president, explained that, on account of the large loss shown by the returns to the United States Government for the year 1921, which, under the provisions of the present tax law is applicable for tax purposes against earnings for the succeeding two years, there will be no federal income tax to be paid covering the earnings of 1923.

In this respect the working of the income tax law in the United States is more equitable than is the case of the Canadian measure. In the United States profits for tax purposes are considered on a three-year basis and losses in one year may be offset against another year. In Canada each year is taken independently for tax purposes and a company is taxed on the profits of each year no matter what the losses may be in the succeeding year or may have been in the preceding one.

The Border Chamber of Commerce—embracing the municipalities of Riverside, Ford, Walkerville, Windsor, Sandwich and Ojibway—has passed a resolution calling on the Dominion government to adopt an income tax clause providing that income of industrial companies be on a basis of net profits of three years instead of one year only.

The Border Chamber also suggests income tax forms giving specific instructions for the completion of each item, that rulings under the act be made available to the public and that the amount due under the act shall be assessed within five years after the return is filed.



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News and Views for Investors

KING EDWARD HOTEL

It is announced that King Edward Hotel will redeem all its outstanding seven per cent., second mortgage, 15-year bonds on June 30 of this year. The price will carry accrued interest and a two and a half per cent. premium, or 102½ and interest to June 30.

NATIONAL BREWERIES

Work is under way on an addition to the Dow brewery that will increase its capacity four-fold. The work is costing $1,250,000.

The Dow brewery is one of the four operating breweries of National Breweries, and is located in Montreal.

ALABAMA TRACTION

Electric energy sales constitute 88 per cent. of the earnings of Alabama Traction, Light and Power. The sale of gas and street railway operation made up the other 12 per cent. of a total of $7,863,293, an increase of $2,117,973 over 1922. The outlook for the present year is good. The new Montgomery properties only figured in earnings for 10 months and the Tuscaloosa only two months of 1923 and the whole year's operation in 1924 should add materially to income.

DETROIT UNITED RAILWAY

Detroit United Railway broke another 5 points, and is now selling around 40, the lowest price in its history, and compared with a high of 128 in 1916. The stock of late has been the subject of a series of breaks and partial recoveries only to break again. There was a rally for a time when it was thought that the first directors' meeting after the annual meeting would declare the payment. This has not materialized, and the pressure on the issue has been fairly well sustained as a result.

POWER ISSUES STRONG

Montreal Light, Heat & Power, and Shawinigan were two prominent utilities in the trading which marked this group during the past week. Heavy buying of both carried their prices up materially. Montreal Power opened the week at 159½ and reached 166 on transactions totalling 16,444 shares, almost equalling the record week of the year in this issue. Shawinigan, in advancing from 126 to 132 almost equalled the high week of the year with 4,119 shares.

TORONTO RAILS

Stock of Toronto Rails has been holding firm around 89 in anticipation of a settlement of the dispute with the city in June when the case goes before the privy council. The hearing may not take long but the decision may be reserved so that those who are expecting a decision in June may be just a little optimistic. It is being estimated that if the company loses all the points on which it is appealing, and also that of the interest payment on the award, the value of the stock will be over 100 while if the company wins on all points it should be close to 115.

CONSOLIDATED SMELTERS

Considerable speculation is going on as to the reason for the rise in Consolidated Smelters to close to 40. They say that business is steady but that there is nothing to warrant the advance. The best guess is that the buying is on the part of the insiders. Last time it went to 38, it was because of inside buying, because the purchaser told THE FINANCIAL POST of his purchases. He is buying for a long hold and admitted that his plans for a holding were not completed. The proposition is growing in magnitude steadily and promised to soon be one of the greatest mining ventures in the world.

BESCO SECOND PREFERRED

That the budget proposals to place foreign made steel products, bar, rod and pig iron entering into the manufacture of farm implements, will only add to Canada's adverse balance in steel and other products of minerals, is the general opinion. Our adverse balance today stands at $170,000,000, and the situation is being stressed by officials and the federal mines department. Another result is that it will hit the production of foundry iron in Canada, Besco having already stopped its production. Besco second preferred had advanced to 10 and is said to be due to buying due to the report that big profits may be made on the resumption of ore shipments to Germany.

RUSSELL MOTORS

The shareholders of Russell Motors are not worrying over the proposal before the British House of Commons to abolish the Empire preference proposals. Because of this preference the Canadian automotive trade with the British Isles has steadily expanded. However, the great bulk of this trade was carried on with other parts of the Empire rather than with the Mother Country, and there seems every likelihood that the preference extended by one part of the Empire to the other will continue. Russell Motor shares are strong at 17½, at which price they have been selling all year. No stock is coming out hardly, the past week's transaction amounting to 10 shares.

TUCKETT'S

Expectation of a good annual report explains the strength in Tuckett's Tobacco, which sold up to 60 during the past week. The report is expected shortly. Stable conditions have surrounded the tobacco on both sides of the line, so that the financial statement for the twelve months will in all probability be an encouraging one. Tuckett Co., by its Tobacco Products deal, has effectively established itself with the retail market and beneficial results naturally would be expected to follow. The company in the last three years has earned over 12 per cent. on its preferred stock, and paid 7 per cent., while, in a similar period, considerably over 4 per cent. has been earned and 4 per cent. paid. On March 31, 1923, the net assets applicable to the common stock not excluding goodwill, etc., included in property account and not separately reported, amounted to $3,141,178, or $125.65 per share of $100 par value.

PRICE BROTHERS

The expansion of Price Brothers until their output reaches the huge total of 950 tons of newsprint daily is definitely on, Sir William Price told the shareholders at their annual meeting. Indirectly it is stated that the president confirmed the story that pressure was brought to bear on the company to keep production down to the normal increase of consumption. Kenogami mill has been brought up to 400 tons daily, and that it will soon have another 100 tons capacity. The first of the new 200-ton mills projected will be finished this year, and the second will be started next year, and will be in operation by 1926. What effect these large developments will have upon the industry as a whole remains to be seen.

B. C. FISHING

Shares of B. C. Fishing broke to a new low of 9½ on sales of 105 shares during the past week. Evidently the report that competition was going to be very keen for the new pack, and that costs would have to be materially cut, caused the latest selling. The canneries are looking for a heavy pack this season, but face keen competition from Japan's heavy Siberian pack, which is expected to bring prices down in Britain. The Japanese, who have obtained fishing rights on the Siberian coast, are exploiting the waters while the concessions hold good, and are flooding the world markets with a red salmon slightly below the sockeye in quality, and considerably lower in price, the canners point out. With this situation to face, B. C. canners are endeavoring to find some satisfactory method of marketing B. C. salmon for prices based on sheer merit. Some are hopeful of creating an individual demand in the Old Country for B. C. sockeye, others believe that the market in Canada and even in the United States, with its 30 per cent. tariff, may be more intensively cultivated.

WESTERN GROCERS

In presenting to the shareholders of Western Grocers, Ltd., the annual statement for 1923, showing net profits of $33,690, as compared with $120,305 in the previous year, the president, W. P. Riley, declared that the period had been a difficult one, the buying power of consumers in Western Canada being materially cut down because of the lack of profit in agricultural operations. While the crop of 1923 in the prairie provinces was a good one as a whole, it yielded the farmers little if any profit, according to Mr. Riley. Much of the money derived from the crop went to pay old debts in great variety. The agricultural community necessarily economized on merchandise purchases of all kinds, and this had the same effect on the grocery trade as on various other lines of business.

Mr. Riley upset the theory that the grocery business should always be good because "people must eat." People eat, but they do not buy the wider variety of grocery items as when they have plenty of money. Western consumers have been buying staples, and there has been a curtailed demand for the fancy lines on which a substantial profit is made. Under the circumstances the volume of the company's business is regarded as satisfactory.

Regarding the future, Mr. Riley expresses faith in prosperity for Western Canada and for Western Grocers. Over a period of several years he has no doubt but that the company will produce very satisfactory results. As to this year and next, a slow but gradual improvement is anticipated. Full recovery will take time, but the change for the better will be noted immediately, he told the shareholders.

UTILITIES GROUP WAS QUITE STRONG DURING THE WEEK

Seven of Eight Stocks Figuring in Trading Showed Fair Advances

WEAKNESS PREVAILS

Practically All Groups Came in for Some Attention—Bank Shares Weak

There has been a greater interest in the market during the past week than has been the case since the slump commenced. Tractions and utilities were the most prominent, with the latter standing up well, and the group as a whole showing fairly good strength. The tractions showed a tendency at the end of the week to ease off materially. This movement spread to other groups and became almost general throughout the list. The best market opinion is that the definite downward swing at New York is responsible for the display of nervousness on the Canadian exchanges.

It is rather coincident that while such stocks as Consumers Gas, Canada Cement, and City Dairy preferred, were strong, the tendency of the bank group was still downward, with transactions about equal to the week previous. Gains and losses were divided in the pulp and paper group, while steel losses were double the fractional gains. Milling shares were somewhat neglected, while the utilities group with seven gains and one loss, made the best showing of any group in considerable time. Tractions were up and down, the volume of transactions being ahead of other weeks. The textile group remains off color and is likely to so long as the outlook for the industry continues as at present. The general industrial group continues to merit only passing attention; there was little trading and though it is a buyers' market the declines were only fractional.

While there are some signs of better business the opinion on the street is that it is going to take considerable air-clearing before the public return to the market. The trend for the past week is shown in the following table:

	Losses	Gain	Unch.	Total
Banks	5	2	4	11
Pulp and paper	3	3	6	12
Steel..	4	2	8	14
Milling	2	2	6	10
Utilities	1	7	6	14
Tractions . ..	4	3	7	14
Textiles	3	1	9	13
Industrials ..	5	1	15	21
	27	21	61	109

Alabama Traction Earnings Increase

From Our Own Correspondent.

MONTREAL.—The eleventh annual report of the Alabama Traction, Light and Power Company, covering the year ending Dec. 31, 1923, which has been forwarded to the shareholders, shows an increase of $2,117,973.01 over 1922 in the gross earnings of the Alabama Power, which amount to $7,863,293.65.

Comparative earnings figures follow:

	1923	1922
Net oper. rev. ...	$7,863,294	$5,766,959
Oper. expenses ...	4,278,222	2,887,096
Net earn. fm. oper.	$3,585,071	$2,879,862
Other income	481,344	158,732
Gross income	$4,066,415	$3,038,595
Int. on bond. debt	1,752,748	1,310,759
Inc. after bond int.	$2,311,667	$1,727,835
Res. depr. amort. .	1,229,539	943,871
Net inc. for year	$1,084,128	$ 783,963
Pref. dividends ...	340,884	75,926
Transf. to surp. ..	$ 743,244	$ 708,037

OTTAWA LIGHT & POWER

In view of its high degree of safety and entire freedom from normal Dominion income tax, F. H. Deacon & Co. strongly recommend Ottawa Light, Heat & Power 6½ per cent. preferred stock as an investment. Assets have a book value of over $490 per $100 preferred share. The company has earned its preferred dividend more than three times over for the last four years after depreciation and taxes. Franchises are perpetual.

War to be Against Page's "Bootleggers"

NEW YORK.—The American Paper and Pulp Association is taking active steps against paper "bootleggers" who are bringing foreign paper into this country under improperly classified entries. Formal protest is being made against the admission, as printing paper made in Germany, of second sheets for typewriter use and letter-sized paper wrapped and sealed in ream packages. Duty was paid on this as printing paper, according to the association, it thereby coming in under conditions which make it impossible for domestic manufacturers to compete with the German offers. The paper is being sold by importers at 16 cents a ream, which makes a retail price possible that manufacturers here cannot meet. Specific evidence has been given the customs authorities of the "dumping" of Canadian kraft and book papers at prices from ½ to 2 cents below Canadian home prices for the same paper.

CANADA CEMENT CO. TO OPEN AT HULL

Big Plant There is Being Put Into Efficient Operating Condition

By Staff Representative.

OTTAWA.—The Canada Cement Company has had a large force of men at work for some months rebuilding its plant at Hull, P.Q. New and modern machinery is being installed and the plant brought to a high state of efficiency.

The plant has been practically dismantled for some time. During the war obsolete machinery was removed and shell-making machinery installed and since the close of the war the plant has not been in operation.

Construction activity has not been at a high peak in the Ottawa valley but there is now evidence of greater amount of building ahead, particularly in connection with power developments in contemplation. The Ottawa and Hull Power Company has been contemplating an addition to its plant at Chaudiere Falls; the Ottawa River Power Company is ready to go ahead on its development at Bryson, P.Q.; the Hull Electric Company is preparing to build a 100,000 h.p. development on the Gatineau River and the provincial government of Quebec is going to erect a control dam at the head of that river. In addition to these water power developments, which will require a large amount of cement, the E. B. Eddy Company is erecting a new million dollar match factory at Hull and is also planning to rebuild its sulphite pulp mill. These two developments are contingent upon the approval of the ratepayers of Hull to a fixed assessment for ten years of $4,000,000. This approval is expected.

TO MARKET MORE FRUIT ON PRAIRIE

Western Jobbers to Discuss the Situation With the British Columbia Growers

From Our Own Correspondent.

WINNIPEG.—Jobbers in fruits throughout the prairie provinces may visit British Columbia in a group soon to discuss with the growers there the general situation with reference to the disposal of the annual fruit crop of southern British Columbia.

These fruit growers are in the same position as the prairie grain grower in this respect that they have for the most part been taking a net loss each year in the production of apples and other crops of fruit. The loss on apples is said to run from thirty to eighty cents a box.

The market for the fruits of British Columbia on the prairies has grown out of proportion to the increase in the number of consumers and their ability to buy. That is to say, the people of the prairies have come to appreciate the value of fresh fruit and are increasing their purchases from year to year. The possibilities of British Columbia are, however, incalcuable and the actual production of the finest fruit has been almost incredible and the quantities have been such that the prairie market could not possibly take the supply. Some adjustments will have to be made and when the jobbers go to the fruit districts, as they probably will, the situation will be fully canvassed.

Doors Closed, Manager Away and Shares Offered for Sale

Little Incidents Which, Coupled With Disturbed Public Opinion, Led to a Mild Run on One of the Soundest Savings Companies in the Country

Item 1.—In one of the smaller Ontario cities an advertisement recently appeared offering for sale by tender shares in the local loan and savings company. The number of shares was not mentioned. The solicitors offering the shares—to close an estate—happened also to be the solicitors for the mortgage company.

Item 2.—The manager of the company had shortly before left the city for a holiday in the South.

Item 3.—A woman depositor of the company called at the office about 4.15 one afternoon and found the doors closed for the day. She reported to her husband that the company had closed its doors. He, as an employee of the largest industrial concern in the city, quickly spread the report.

The result of the above recorded incidents was that one of the oldest and strongers smaller financial institutions in the country had a trying experience. Gossip said that the company was refusing to return deposits, that the insiders had disposed of their stock and that the manager had made a timely departure. The demands on it did not attain the proportions of a serious run, but there was a call for funds which, coming without warning, might have brought on a crisis had the company's position not been of the strongest. Even so, there were extensive withdrawals which will take time to recover, and a disturbance to public confidence which cannot immediately be restored.

The experience of this loan company indicates the extent to which confidence in the banks and other institutions accepting public deposits has been disturbed by the developments in connection with the Home and some of the other banks and financial institutions. It emphasized the need for constructive action to restore that confidence.

WHAT WESTERN CROP MEANS TO CANADA

Fifty Thousand Cars More Are Shipped Than for Corresponding Period Last Year

From Our Own Correspondent.

OTTAWA.—What a big grain crop means to Canada may be seen in official returns of grain inspections in the West for the eight months ending April, which place the number at 294,869 cars, an increase of 49,918 over those for the same months of the preceding year. The Canadian Pacific Railway handled 162,689 of these, or 31,140 more than last year, while the Canadian National handled 131,336, an increase of 19,477.

During the same months 20 years ago the number of cars inspected was only 31,604, so that the increase has been over eight fold. From present indications the inspections during the current crop year will run about 60,000 cars over those for the preceding period.

The port of Vancouver is climbing steadily to the 50,000,000 bushels of grain exports that it has set before it for the 12 months ending August next. To May 2 the quantity shipped out was 43,177,000 bushels, or nearly three times that for the same months last year. During the 12 months ending March, $98,598,000 of exports had gone through that port, an increase of over 50 per cent. in excess of that for the preceding year. During the month of March the exports alone were valued at $17,823,000.

HOME MARKET IS BIG MARKET FOR FARM PRODUCTS

(Continued from page 1)

gradual improvement of conditions in Canada.

Our business with the United States continues to be satisfactory despite the slackening tendency there. It is significant that the phenomenal building activity which existed in the United States for practically the last five years appears to have halted, and the outlook is for a period of conservative building. It is estimated that approximately $20,000,000,000 had been spent in building during the past five years, but that more conservative conditions had returned and that stabilization in costs had been effected. Presumably this will encourage the return to Canada of large numbers of those who went to the United States to take advantage of the high wages paid in the building trades. In fact, there are indications that large numbers of Canadians will be induced to return to Canada owing to the decline in various lines of business.

Decline in Building

In Canada also, a marked decline in building has taken place. During the first three months of 1923, building permits totalled $13,500,000, and for four months the figure was $33,150,000. In 1924 the figure for the first quarter was $17,500,000 and for four months $26,500,000. Evidently, although building speeded up during the first quarter of the year, the same slowing down process has commenced in Canada's building program.

Despite the fact that production continues on a capacity basis in certain industries, in the United States, the predominant movement is downward; wholesale and commodity prices continue to decline; there is a slackening in the output of such basic commodities as steel and iron, a reduction in forward orders, and a general feeling of uncertainty with regard to the future.

Summing up the business situation in Canada, general conditions have tended marginally upward since the opening of navigation and the beginning of spring business. Railway car loadings are holding up much better than in the United States. For the week ending May 3 there was an increase of 3,400 over the same week last year, and since January 1 the figures show an increase of 79,000 over the preceding period. Immigration figures, moreover, show a gradual improvement, and the general outlook seems to be somewhat more optimistic.

The Amazing Growth of the Radio Industry

By GUY E. TRIPP,
Chairman Westinghouse Electric and Manufacturing Company.

Radio is no longer a fad, but a fact. As an industry it has doffed its swaddling clothes over night, as it were. In the short space of three years over 3,000 manufacturers of radio supplies have risen throughout the country. Over a quarter of a million people, directly or indirectly are connected with the production, distribution and sale of radio products. A library of over 250 books has been written on the subject, and more than thirty radio magazines are now published. It is estimated that over $150,000,000 was spent by the people of the United States for radio products last year, that $300,000,000 will be spent this year, and there are signs that radio soon will become a half billion dollar industry.

No other art has made such an immediate appeal to human imagination. Probably 10,000,000 people in this country alone, now search the air for musical and other programs sent broadcast by radio, and it is likely that within a few years radio may have audience of fifty million people.

Canada's catch of sea fish in March, increased some 17 per cent. over the same month last year, in spite of poor weather conditions on the Atlantic coast. The increase was chiefly in cod, halibut, salmon, clams and lobsters.

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U. S. Steel Operations Are Being Curtailed

NEW YORK.—United States Steel will operate less capacity and deliver steel at a lower price average in the current quarter than in the second quarter of 1923. With this in view, it is safe to say that earnings will show a corresponding falling off from the $47,858,181 reported in the second quarter of last year.

In April, 1923, United States Steel operated 93 per cent. of capacity; in May 97 per cent. and June 93 per cent.

Operations in April of this year were 83 per cent., with present production 73 per cent. It is hardly likely that operations from now until June 30 will show much change for the better.

Railway Earnings

CANADIAN PACIFIC RAILWAY

Week end.	1924	1923	Change
May 7 ..	$3,281,000	$2,976,000	+ $305,000

CANADIAN NATIONAL RAILWAYS

Week end.	1924	1923	Change
May 7 ..	$4,171,144	$4,332,510	— $161,366

SAYS BESCO HAS ATTRACTIONS AS A MINING STOCK

Altogether Apart From Its Possibilities as an Industrial

From Our Own Correspondent.

MONTREAL.—Some time in the life of nearly every industry there comes a period when the price of its securities discounts and over-discounts any troubles which it has encountered or is likely to encounter. This has been the history of Spanish River, Canadian Pacific, Dominion Iron and Steel, United States Steel and Union Pacific.

The interesting view that this point has been reached in the affairs of the British Empire Steel Corporation is expressed by Johnston and Ward. They say also that fundamental conditions surrounding this company are sound and that a very slight improvement in business in Canada and the world generally would result in a material increase in earning power.

Vast Available Resources

An outstanding estimate of the resources of the company places the iron ore at Wabana at from 3,635,000,000 to 5,000,000,000 tons (sufficient to supply the consumption of North America at the present rate per annum for 500 years). In addition to the possibility of its use in America, this ore from its position has unsurpassed advantages with respect to the European market.

Its coal areas in Cape Breton, Cumberland and Pictou counties in Nova Scotia are estimated to contain 5,000,000,000 tons or sufficient to supply the present rate of production for over 700 years.

The following table shows the potential output in the various departments:

Coal	7,000,000 tons
Iron ore	5,000,000 tons
Pig iron	500,000 tons
Ingots	480,000 tons
Bars	180,000 tons
Rails	200,000 tons

as well as other forms of finished steel. Steel railway cars, 9,000 cars per year. Shipping owned, 68,000 tons deadweight.

The company's ship repairing dock at Halifax is the most readily accessible in British North America.

The circular proceeds: "A study of the balance sheet of the company in relation to market value of securities will be of interest:

Fixed assets supported by independent appraisals	$134,201,383
Current assets	21,152,933
Total	$155,354,316
Liabilities—	
Bonds, debentures, etc.	37,800,264
Current	4,348,202
Deferred	409,400
	$ 42,557,866
First pref. stock	7,838,400
Constituent co. pref. stocks	11,948,800
	$ 62,345,066
	$ 93,009,250

as against $50,000,000 second preference stock outstanding, this represents a book value of about $180 per share. Compare this with market value of $10 to $12 per share.

Liquid Assets are Large

Let us look at the working capital position of the company according to the consolidated balance sheet of December 31, 1923. Liquid assets amounted to $21,152,933, made up as follows:

Current assets:	
Invent. of finished products, goods in process and materials and supplies, less reserves	$15,107,159
Trade accounts and bills receivable, less reserves	4,886,638
Other accounts receivable	541,042
Investment in war bonds	39,336
Cash on hand and in bank, and call loans	578,757
	$21,152,933
Current liabilities were	4,348,202
Surplus liquid assets	$16,804,731

This is about 44 per cent. of the total funded debt of $38,209,664.

During the last few years $3,000,000 more money has gone into the company from the sale for cash of stocks which represent only 20 per cent. of the total issue than the whole issue is quoted on the market at. In other words, 50,000 shares of Scotia were sold at 90 and 50,000 Dominion Steel at 70, netting $8,000,000 as against a market value for 5 times that many shares of the new company of only 5 to 6 million dollars.

It is true that the company has had to defer the dividend on its preferred stock and those of the constituent companies, and it is that which makes it possible to buy its shares so cheaply.

Aside from its possible earnings as an industrial corporation, its potentialities as a miner and producer of iron ore and coal makes its shares look more attractive than the great majority of mining shares offered the public.

The company has recently made large sales of iron ore to Germany, and with revival of fairly normal conditions in that country (which before the war was a large market for Wabana ore) it is reasonable to expect a very large and profitable business with them.

Some of the events which would materially increase the company's earnings are a more evenly balanced customs tariff, the increased use of coke in place of anthracite and the resumption of normal business conditions in the country.

Approximately 4,000 tons of onions were grown in Okanagan Valley, B.C., during the past season. The crop was a fair one and the prices paid returned a fair profit to the growers.

U. S. Textile Companies Object to British Imports

Special Correspondence.

NEW YORK.—There has recently been in the United States a marked increase in the importations of fine cotton fabrics, mostly British. These importations consist largely of unfinished fabrics which are bleached or printed in the States. It is understood that at the present time the cost of finishing is less than in Great Britain. Under the circumstances American manufacturers of cotton goods are complaining of the failure of the present high tariff to prevent increase in importations.

Under the existing tariff the president is authorized to increase the duty on any commodity not on the free list when advised to do so by the federal tariff commission. Whether he will do so and whether, if he does, higher duties will prove effective in regard to these cotton imports is uncertain.

AUSTRALIA READY TO GIVE PREFERENCE

Canada's Opportunity Now, Says Government Official of Island Dominion

From Our Own Correspondent.

MONTREAL.—That public opinion in Australia at the present time would warmly support a preferential trade treaty with Canada is the statement made to THE FINANCIAL POST by a well informed Australian public official to whom the question was put this week. Australian parliamentarians and those of the Australian public who gave the matter any serious thought feel that they should favor Canada rather than the United States in their buying, and since the rebuffs from Britain in tariff matters they feel that they should favor Canada as against Great Britain if any favoritism is to be shown in tariff matters. According to this official, a definite, well handled effort to get an Australia-Canada trade pact into effect would meet with the co-operation of the Australian government.

Some unwritten history has come out about Hon. J. A. Robb's visit of last year to Australia. Robb went to the island Dominion last year to get a trade treaty, but came back empty handed. It is now learned that Robb did not even get a chance to tell his story. When he arrived in Vancouver on the way to the east, he learned that an election was pending in Australia. He cabled across, asking if his visit should be postponed. The Australian Minister of Trade and Custom messaged back "Come along." But when Mr. Robb arrived he found and he could not get anyone to talk business. After a few days he found that he might as well come home. The fact that he did not get the treaty he was after did not indicate at all that Australia was unfavorable.

Some of the Canadian products that would find a ready sale in Australia, if a certain amount of preference could be arranged for this country, are hardware, locks, paper, electrical goods, automobiles, bicycles and many other products. Quantities of all of these goods are now being sold to Australia.

CANADA HAS 449 H.P. PER 1,000 OF PEOPLE

Leads United States by Far in Utilization of Water Power For Electricity

From Our Own Correspondent.

MONTREAL.—From statements published about the activity in water power development in the United States the impression might be given that the United States is in the midst of a period of abnormal development in this regard. As a matter of fact Canada is developing its water power at a more rapid rate than the States and will continue to lead in developed horse power per capita.

The United States has at the present time 10,455,000 h.p. of installed water power as against Canada's water power installations of 3,227,414 h.p. The horse-power per 1,000 of population in the United States is 95 h.p., but in Canada it is 350 h.p. per 1,000 people.

In the United States there are under construction water-power developments totalling 2,448,000 h.p. In Canada there are under construction developments to produce 900,000 h.p. Adding the figures together the United States has installed or under way developments of 12,903,000 h.p. or 118 h.p. per 1,000 of population. Canada has installed or under way water-power developments totalling 4,127,414 h.p. or 449 h.p. per 1,000 of population.

This leaves Canada far in the lead.

Canada is dependent upon water power to supply the motive power of industry and to light up our cities and towns to a greater degree than that in the United States. In the United States, for instance, less than 6 per cent. of the power in industry is supplied by water power. In Canada the figure is about 70 per cent. In the United States 35 per cent. of the electrical energy developed in central electric stations is developed by water power. In Canada the proportion is 97 per cent.

The Dominion Water Power Branch anticipates that Canada's lead in water power development will continue to grow.

PENMAN'S STRONG

While the textile group is being religiously sidetracked by many investors because of the not-too-good situation that the industry was about to be aggravated by the new tariff proposals of Ottawa, it is rather a surprise to see Penman's take a sudden spurt, and on moderate transactions move up from 136½ to 145.

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING MAY 13

	Div. Rate	Yield May 12	High For week	Low For week	Close May 13	Close May 6	Sales For week	Range 1924 High	Range 1924 Low
Banks—									
Commerce	12	6.59	182	181½	182	182	124	188	181
Dominion	12	6.55	183	182	182	183	67	187	181
Hochelaga	10	6.66	150	148	148	148	53	150½	143½
Imperial	12	7.05	170½	169¾	170	170½	40	179	169¾
Molsons	12	7.94	151	150	151	150	84	159½	149½
Montreal	12	5.08	236	235¾	236	236	143	248	230
Nova Scotia	16	6.26	255	255	255	255	80	260	248
Royal	12	5.51	217½	216	217	217	55	217½	211
Standard	12	7.46	161	160½	160½	161	73	168	160½
Toronto	12	6.93	173½	173	173	173½	42	179	173
Union	8	7.58	...	...	...	...	...	109¼	103
Paper—									
Abitibi, com.	$4.00	7.11	58	56¼	57	56½	901	69	54
Do pref.	7	6.89	...	...	...	...	...	108½	100
Brompton Pulp	...	...	35	34½	35	34½	360	43	34¼
Laurentide	6	6.97	87½	85¾	85¾	86½	465	98½	84¾
Price Bros.	2	4.46	44⅛	42	42	42	1405	45	40
Prov. Paper, com.	6	7.22	...	...	...	...	...	110	83
Do pref.	7	7.44	94	94	94	96	5	97½	93
Smith, Howard, com.	6	10.61	56½	56½	56½	57	95	75	52
Do pref.	8	8.79	91	91	91	92	37	100	90
Spanish River, com.	7	7.00	103	99¾	102¼	98	4670	114¾	96
Do pref.	7	6.36	111¼	108¼	110½	108½	2495	119½	105½
St. Maurice Paper	6	6.81	89	88	87	89	60	113¼	83
Wayagamack	...	...	36½	36½	36½	36¾	150	45	36½
Steel and Steel Industries—									
B. E. Steel, com.	...	...	3	3	3	3	170	6	3
Do 1st. pref.	...	...	37½	36½	37½	36½	83	57½	35
Do 2nd pref.	...	...	10	8⅛	10	9	2582	17	8
Can. Car & Fdry., com.	...	...	45	43	43	45	145	50	36½
Do pref.	7	7.97	87¼	87¼	87¼	88	5	97	84½
Canada Iron, Com.	...	...	6	6	6	5	3	6	5
Canada Iron, pref.	...	...	28	28	28	28	9	28	28
Can. Locomotive, com.	4	6.15	65	65	65	66	1	67	65
Do pref.	7	8.04	...	...	...	...	...	92½	85
Dominion Coal	...	...	...	...	...	...	...	81	60
Dominion Iron, pref.	...	...	35	35	35	35	40	57	35
Dominion Radiator	7	7.36	...	...	...	...	...	95	94
Dominion Bridge	4	6.34	64	63	63	63	100	80	60
Dom. Steel Corp., pref.	...	...	41	40	41	40	108	73	40
Ontario Steel, com.	4	9.75	...	...	...	...	...	45½	40¾
Do pref.	7	8.14	...	...	...	...	...	93	86
Steel of Canada, com.	7	9.85	72	70	71	72	1650	83	70
Do pref.	7	7.00	100¼	99½	100	101¼	205	105½	99½
Milling—									
Canada Bread, com.	4	6.20	...	...	...	...	...	74¾	63
Do pref.	7	7.22	96⅛	96½	96⅛	96⅛	38	98½	95
Lake of Woods, com.	12	6.91	174	173½	173½	174	50	180	167
Do pref.	7	5.89	...	...	...	...	...	120	117½
Maple Leaf, com.	...	...	...	...	...	...	...	69	60
Do pref.	7	7.69	91½	90	90	91	44	95⅛	87
Ogilvie Flour, com.	12	3.93	305	305	305	304	25	320	304
Do pref.	7	5.83	...	...	...	...	...	120¼	116
St. Law. Flour, com.	6	9.02	67¼	67¼	67¼	66½	25	73	66
Do pref.	7	7.77	...	...	...	...	...	91½	89
West. Can. Flour	8	8.00	100	99½	100	99	65	105	98
Inter. Milling, pref.	7	7.36	96	95	96	95	7	96½	94
Utilities—									
Bell Telephone	8	6.20	129	127	128	127¼	387	132⅛	125
Consumers Gas	10	6.21	163⅛	163	163	161	18	166½	159
Dom. Telegraph	6	6.93	...	...	...	...	...	44½	43
Kaministiquia	8	7.27	...	...	...	...	...	113½	107
Mackay, com.	7	6.27	112	111	111½	112	315	120¼	110¼
Do pref.	4	6.01	66⅛	65⅞	66½	66¼	340	71½	65
Mexican Light, com.	...	...	...	...	...	...	...	20	18
Montreal L. H. & Pr. Cons.	7	4.25	167½	156	165½	156	16444	167½	140¼
Montreal Telegraph	8	6.66	...	...	...	...	...	52½	48
Ottawa L. H. & Pr.	6	7.14	83	83	83	84	5	86	81
Quebec Power, com.	...	...	75	74	74	74	276	75	64
Do pref.	7	7.50	93¼	93¼	93¼	93	20	95	90
Shawinigan	7	5.51	132	126	132	126	4119	135½	118½
Southern Can. Pr., com.	$1.00	...	58	56½	58	57	260	61	51⅛
Transportation—									
Canadian Pacific Rly.	10	6.65	151	150	151	150	326	154	147¼
Canada Steamships, com.	...	...	14	14	14	14	115	16	11
Do pref.	...	...	51	50	50	51	704	52	41½
Tractions—									
Barcelona	...	...	18½	17½	18¼	17½	937	18½	12⅛
Brazilian	4	7.98	51¼	50	50⅛	51¼	3893	53⅛	41¾
Detroit Un. Rly	6	13.48	45¼	40	40	45	1841	72½	40
Duluth-Superior	...	...	20⅛	20⅛	20⅛	19½	25	35	19½
Illinois Traction, com.	2	2.08	96	96	96	101	5	101	61¼
Do pref.	6	6.52	...	...	...	...	...	93½	87
Montreal Trams	10	5.98	169	148	166¾	148⅛	2967	169	148
Porto Rico Rlys., com.	...	...	19	19	19	17	75	25	17
Do pref.	7	10.00	70½	69½	70½	70	55	75	66
Quebec Rly.	...	...	18	18	18	17	10	18	14½
Toronto Railway	...	...	89½	88	88½	88	497	88¾	80
Twin City, com.	6	10.90	55	50	54	53	655	69	50
Winnipeg Elec. com.	...	...	25½	25	25	25½	148	30	24
Do pref.	7	9.12	77¼	76½	76¾	77	156	85	75
Textiles—									
Can. Conn. Cotton, pref.	8	...	...	...	...	...	...	80	60
Can. Converters	7	9.72	73½	72	72	73½	75	90	72
Can. Cottons, com.	8	8.69	92	90	92	87½	195	111	85½
Do pref.	6	6.81	88	88	88	89	15	91	88
Can. Woollens, com.	...	...	...	...	...	...	...	7	6
Do pref.	...	...	40	37	37	40	55	41½	35
Dom. Textile, com.	$4.00	6.67	59½	58½	58¾	58½	813	66	54
Do pref.	7	6.60	106	106	106	106½	3	109½	104¼
Monarch Knitting, pref.	7	10.14	69	69	69	69	15	82	65
Montreal Cotton, com.	6	6.00	...	...	...	...	...	100	100
Do pref.	7	6.54	107	107	107	107	20	107	104
Penmans, com.	8	5.51	145	136½	145	134	154	165	134
Do pref.	6	6.31	...	...	...	...	...	96	92
Wabasso Cotton	$4.00	6.15	...	...	...	...	...	72	61
General Industrials—									
American Salesbook, com.	5	..	42	42	42	44	35	47	42
Do. pref.	7	7.78	90	90	90	90⅛	10	95	86¾
Asbestos, com.	..	..	27	27	27	27	5	35	25¼
Do. pref.	6	10.90	55	54½	55	55	14	62	54½
Atlantic Sugar, com.	..	..	14½	13½	13½	15	50	21¾	13½
Do. pref.	..	..	..	..	..	..	..	51	39
Bird & Son, pref.	7	8.14	..	..	..	..	..	89	86
B.C. Fishing	..	..	11¾	9½	9½	12½	105	15¾	9½
Burt, F. N., com.	10	7.69	130	127	127½	125	64	137⅛	125
Do. pref.	7	5.14	..	..	..	..	..	136	136
Canada Cement, com.	6	6.93	87½	85	86½	86	2342	93	84½
Do. pref.	7	6.79	105½	103	104	105¾	164	108	102¼
Can. Indust. Alcohol	6	..	27¼	26¾	27¼	26	796	28½	26
Can. Gen. Electric, com.	6	5.71	..	..	..	..	..	58½	52½
Do. pref.	7	6.60	53	52¼	53	53	146	54	51⅛
Canadian Salt	8	7.14	112	112	112	113	85	115½	109
Carriage Factories, com.	..	..	..	..	..	..	..	1½	¾
Do. pref.	..	..	..	..	..	..	..	15	15
City Dairy, com.	10	5.68	44	44	44	43	8	47½	40¾
Do. pref.	7	6.66	..	..	..	..	..	106⅛	104
Crows Nest Coal	6	12.50	..	..	..	..	..	51⅞	48
Cuban Can. Sugar, com	..	..	6¾	6¾	6¾	6½	120	~13	6
Do. pref.	..	..	38¼	38	38	38½	80	54	33¾
Dom. Canners, com	..	..	25½	24¾	25½	24½	35	35⅛	20¾
Do. pref.	7	8.28	84½	84	84½	83	23	90	82
Dominion Glass, com.	7	6.74	103¾	103	103¾	103¼	137	110	101½
Do. pref.	7	6.54	..	..	..	..	..	107	103
Dominion Stores, com.	$1.00	..	25	25	25	26	2	30	25
Do. pref. (A)	8	8.88	90	88	88	90	4	90	81
Davies, Wm. (A)	..	..	..	..	..	..	..	20	14¼
Eastern Theatres, com.	..	..	..	..	..	..	..	14¾	12
Do. pref.	7	10.29	..	..	..	..	..	70	67
Ford Motor	10	..	..	..	..	..	..	485	465
Goodwins, com.	..	..	..	..	..	..	..	48½	20
Do. pref.	7	7.36	95	95	95	95	5	95	69½
Goodyear Tire, pref.	7	9.72	73	72	72	73	17	81¾	72
Frontenac Brew., com.	..	..	66	64½	66	64¼	140	66	60
Holt, Renfrew, pref.	7	10.60	..	..	..	..	..	66	52
Interprov. Brick, com.	6	9.09	..	..	..	..	..	66½	66
Lyall Construction	..	..	..	..	..	..	..	21	12
Macdonald, A.	..	..	4¾	4¾	4½	5	50	5	4
National Breweries, com.	4.00	7.92	51	50	50½	50	629	56¾	49
Do. pref.	7	7.07	99	99	99	97½	10	100	95
Pacific Burt, com.	6	6.15	..	..	..	..	..	101	97
Do. pref.	7	6.79	..	..	..	..	..	106	100
Port Hope Sanitary, com.	..	..	..	..	..	..	..	50½	49
Do. pref.	7	7.77	..	..	..	..	..	90	90
Rogers, Wm. A., com.	..	..	53	51	51	58	31	70	45
Do. pref.	7	7.44	..	..	..	..	..	100	88
Russell Motor, com.	..	..	17½	17½	17½	17½	10	18	17½
Do. pref.	7	14.00	..	..	..	..	..	56	48
Sterling Coal	4	9.09	44	44	44	44	25	44	40
Sherwin-Williams, com.	6	5.66	..	..	..	..	..	110	105
Do. pref.	7	7.00	100	99½	99⅛	98½	25	103	98½
Tuckett Tobacco, com.	4	6.72	60	57½	60	58	200	64½	57
Do. pref.	7	7.36	95	94½	95	94½	40	97	92½
Woods Manufacturing, com	..	..	..	..	..	..	..	35	28
Do. pref.	7	11.11	..	..	..	..	..	67	63
Trust and Loan—									
Canada Landed	10	6.25	80	80	80	80	56	86	80
Can. Permanent	12	6.55	183	183	183	183	12	187	180
Colonial Invest.	6	..	..	..	..	..	..	7	4½
Hamilton Prov.	10	6.84	..	..	..	..	..	146	141
Huron & Erie	7+½	6.09	..	..	..	..	..	125	120
Landed Banking	9	6.33	..	..	..	..	..	142	139½
Montreal Loan	12+1	..	..	..	..	..	..	46¼	46¾
National Trust	12	5.66	212	212	212	210	3	215	210
Real Estate Loan	7	8.23	85	85	85	89	4	89	85
Toronto Gen. Trusts	12	5.74	209	208	209	207½	5	209	202
Toronto Mortgage	10	5.92	..	..	..	..	..	85¼	81½

UNLISTED SECURITIES

Industrials, Utilities, Etc.—

	Bid	Asked
Can. Assoc. Goldfields	06	08
Can. Westinghouse, pref.	131	134
Can. Marconi	70	1.00
Cockshutt Plow, pref	26	32
Collingwood Shipbuilding, com.	50	60
Cosgrave	5¼	6
Dom. Linens, com.	5	10
Dom. Linens, pref.	25	35
Dom. Power pref	93	96
Dom. Power, com	40	43
Dunlop Tire 7% pref	79	..
Durant Motors (A)	3	4
Durant Motors (B)	4	5
Durant Motors (C)	5	6
Dom. Sewer Pipe, com.	25	..
English Elec., com	6	9
English Elec., pref	47	50
Famous Players, pref. 50% com.	64	67
Gunns, Ltd., pref.	33	36
Hamilton Pantages, pref	45	48
Hamilton Pantages, com	..	3
King Edward Cons., com	33	37
King Edward Cons., pref	55	58
K. & S. Tire, com	..	60
K. & S. Tire, pref.	..	16
Loew's Buffalo, pref.	58	60
Loew's Hamilton, pref	45	48
Loew's London, pref	5	5½
Loew's Montreal, pref	..	25
Loew's Ottawa, pref	18	22
Loew's Toronto, pref	63	66

	Bid	Asked
Loblaw Groc. 2nd pref	120	..
Massey-Harris	..	30
Mount Royal Hotel, Com	10	12½
Mount Royal Hotel, pref	40	43
North Mexico Power, com	11	..
National Brick, pref	49	52
National Brick, com	10	12
Robt. Simpson, pref. 6%	88	..
Tiger Tire Unit	4	7
Western Grocers, pref	32	35
Loans and Insurance—		
Brit. Am. Assur.	6	7
Capital Life	22	27
Can. Mortgage	65	..
Continental Life	26	29
Crown Life	98	..
Excelsior Life	33	..
Great West Life	225	..
London Loan	44	48
Manufacturers Life	56	58
Mercantile Trust	100	..
Monarch Life, 10% pd.	13½	..
National Life, $25 pd.	49	..
Ont. Equitable	..	17
Peoples Loan	66	..
Sovereign Life	17	25
Sun Life 50% pd.	170	..
Sun Life 35% pd.	140	..
Sterling Bank	86	89
Trusts & Guar.	68	71
Western Assurance	7	8

PACKING COSTS BIG FACTOR IN EXPORT

Should be as Closely Watched As Any Other Step in Manufacture and Delivery

Whether the exporter includes the costs of his packing in his price quotations, or charges them direct to the foreign customer, in the final analysis they are an integral part of production costs and should be as closely watched as the cost of any other step in the manufacture and delivery of his products.

The problems of proper packing is to insure safe delivery of goods in first-class condition at the lowest possible cost. Export packing should be carefully and intelligently done, with a proper realization of the extraordinary shipping hazards that must be met, including the additional possibilities of theft and pilferage, but there is no reason for carrying the matter to an extreme. For example, there are certain valuable commodities, light in weight, which some exporters always pack in double cases, thus adding not only to the cost of packing but to the inland and ocean freight charges as well.

Again, surveys have recently been made of the packing used by several concerns that pack their products in fiber for domestic shipment but, for export, take the additional precaution of incasing these sturdy fiber-board containers in a heavy wooden box of the standard export type.

ON GUARD

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TORONTO

SPILLERS TO BUY ALBERTA PACIFIC ELEVATOR CONCERN

Consolidating Interests for the Vancouver Route

MILLING COMPANY, TOO

But May be Robin Hood Company Rather Than Unfinished Alberta Flour Mills—Statement by Head of Company

From Our Own Correspondent.

CALGARY.—It has been learned on good authority that Spillers Consolidation of Great Britain will absorb the Alberta Pacific Grain Company, and it is expected that an official announcement will be made shortly. J. I. MacFarland, the managing director of the latter company, is now in the Old Country in connection with the deal, and Hon. R. B. Bennett, K.C., who is largely interested financially in the company, is on his way back. From what is understood at the moment, the deal has actually been put through and there are only some minor details to be settled.

The Alberta Pacific Grain Company, which was formed in 1913 to take over the Alberta Pacific Elevator Company, has an authorized capital of $3,000,000, equally divided between preference and common stock, and approximately $1,000,000 has been subscribed. It owns 283 elevators in Alberta, Saskatchewan and British Columbia.

The absorption will place the Spiller interests in an exceedingly strong position in Western Canada. They are now constructing a 2,000,000-bushel elevator at Vancouver, and negotiations are stated to be under way for the purchase of the Alberta Flour Mills, Ltd., which, when completed, it is estimated will have an output of 10,000 barrels a day. There may be some doubt, however, in connection with the latter deal. Owing to shortage of capital, the mill has not been completed; as a matter of fact, it is only about half built. In some quarters it is thought more likely that a company like the Robin Hood Mills, which is a large going concern, might be taken over.

LONDON.—The significance of the new development in handling Canadian wheat supplies was explained by Sir William Edgar Nicholls, chairman and governing director of Spillers Milling and Associated Industries, Ltd., in an interview:

"Thus far, the restricting factor in the amount of wheat which can be shipped by Vancouver and the Pacific route has been the terminal facilities available in the port of Vancouver for transferring wheat from railway cars to ships. The new terminal will be the only privately-owned terminal in the port of Vancouver and by it we hope to double the quantity of wheat shipped through the Panama Canal. To date 35,000,000 bushels of last year's crop, or seven times the total for 1921, have already been shipped from that port.

"The increase in production of wheat in the three western provinces of Canada has been steady and continuous, and it shows every prospect of continuing so for some time in the future. This steady increase is very clearly shown in the following figures:—

1904	74,000,000	bushels
1913	231,000,000	"
1922	392,000,000	"
1923 estimated	490,000,000	"

Moreover economic conditions for the production of wheat for export have become more and more disadvantageous for United States growers. Their secured crop in 1923 was 2 per cent. in excess of 1913, whereas the foregoing figures show Canada's increase was as much as 125 per cent.

East Leaving Rice for Flour

"The acreage sown to wheat in the United States further shows a constant contraction, and it appears almost probable with their increasing population (at present 116.000.000) that in normal years no considerable quantity of either wheat or flour can be exported. A factor which somewhat illustrates this possibility is that wheat values in the States are rather above export parity at the present moment. The transference of the production area of hard wheat from the North-west States to North-west Canada should carry with it in no uncertain degree, facilities for the flour milling industry whereby wheat in increasing quantities can be manufactured into flour both for the domestic consumption in Canada and for the export trade. This process has been going on steadily for some years past, and in the calendar year 1923. Canada exported over 40 per cent. of the flour exported from the whole of North America as compared with 30 per cent. in 1920. The total export of Canadian flour to all countries during the ten years 1913 to 1923 in actual amount increased about 250 per cent. from 4,894,000 barrels to 11,198,000 barrels and this increase in the export trade should make further progress as the rice-eating population of the Orient shows definite indications that they are being converted to the premier cereal. When one considers that this population numbers many hundreds of millions, the potentialities of this export trade would appear to be only limited by the power of Canada to supply what they call for.

Empire and Unemployed

"I have spoken for Spillers Milling and Associated Industries, which company holds the shares of the most important flour milling group in the United Kingdom. A new holding company has just been registered, Spillers Overseas Industries, Ltd. This company will hold the control of their Canadian enterprises and I am sanguine that during my lifetime these enterprises will attain to a measure which will compare favorably with the record of our activities in the United Kingdom. The directors of the new company are:—Sir William Edgar Nicholls (chairman) and Messrs. W. S. Allen, Walter Allen, E. A. V. Baker, H. B. G. Morgan, W. P. Nicholls, W. B. Sifton, P. Lloyd Tenner, F. G. Treharne, D. E. Treharne and W. A. Vernon, some of whom will be resident in Canada.

"During the last two or three years I have been made aware that my opinions have been influenced by the trend of events, and I have now reached the conviction that these in the Homeland must conform to the altered conditions and consider the British Empire as a whole. These widespread lands can supply all we need import. Is it not, therefore, the opportunity for reciprocal policies, the adoption of which would to a large measure deal with our unemployment?"

ATLANTIC SUGAR IS REDUCING ITS OVERDUE ACCOUNT

Company Has Extended the Date of Payment Another Year

From Our Own Correspondent.

MONTREAL.—Atlantic sugar did very well in 1923, all things considering and is getting around to the stage when it will be possible to take some action to find the payments due to its raw sugar creditors. This indebtedness incurred three or four years when government price control of sugar was relaxed, causing an over-night loss of $8,000,000 to Atlantic Sugar, now stands at $3,725,199. It is largely responsible for a balance sheet deficit of $4,487,846. The deficit was reduced during the year to this figure. At the end of 1922 it stood at $5,060,314.

Profits during 1923 amounted to $1,459,982 as compared with $990,564 in the previous year. After payment of all charges there was a balance of $606,931 as against $127,965.

The Comparative Profits

Profit and loss figures for three years past compare as follows:

	1923 $	1922 $	1921 $
Net prof.	1,459,982	990,564	978,824
Deductions:			
Depr. res.	302,618	302,618	30,585
Bk. int.	466,522	476,136	1,199,673
Bnd. int.	53,910	59,910	111,134
Tax res.	......	23,934	......
B. D. res.:			
Raw sugar	30,000	......	......
Purch. loss	......	......	7,977,041
Inv. loss	......	......	164,345
Con. loss	......	......	10,599
Ttl. deduc.	853,050	862,598	9,493,377
Net inc.	606,932	127,966	x8,514,553
Pfd. divds.	......	......	808,696
Com. div.	......	......	119,720
Surplus	606,932	127,966	x9,442,969
Prev. surp.	x5,094,778	x5,188,280	1,106,362
Bal.	x4,487,836	x5,060,314	x8,336,607
Reserve	......	......	3,148,327
Ttl. surp.	x4,487,846	x5,060,314	x5,188,280

x—Deficit.

After retiring first mortgage bonds amounting to $100,000 on July 1, 1923, in accordance with the provisions of the Trust Deed, and reducing the indebtedness to the raw sugar creditors by a payment of $200,000 on December 31, 1923, profits for the year have improved the margin between current liabilities and current assets to the extent of over $800,000.

Working Capital Improvement

Working capital position of the company as of December 31 of the past three years compares as follows:

	1923 $	1922 $	1921 $
Cur. ass.	1,323,961	1,909,680	913,122
Cur. liab.	2,528,292	3,890,904	3,402,367
Net wk. cp.	x1,204,331	x1,981,224	x2,489,245

x—Current liabilities exceed current assets.

The directors report that during the year the deferred indebtedness to the raw sugar creditors, which amounts to approximately $3,900,000, fell due on November 23 last, and has been extended for one year to November, 1924.

The profits made by the company during the past few years seem to indicate it will not be long before it will be in a position to work out a plan to provide for raw sugar creditors in some permanent manner.

This Year's Operations

Annual meetin~ is being called for May 26. It is quite likely that at this meeting the president, L. J. Seidensticker, will review the company's results for the first months of 1924. It is understood that the company's refining operations have been on an equal or perhaps increased scale as compared with the similar period in 1924. Last year the company was in a rising sugar market. Lately prices have been falling and on the principle that any sugar refinery will make or lose money on fluctuations in raws than on refining operations it is quite safe to assume that profits have not been satisfactory during the year to date.

East Kootenay Power Operates Second Unit

From Our Own Correspondent.

MONTREAL.—The second unit of 7,500 horse power capacity of the new power plant of East Kootenay Power Company at Elko commenced operation last week, making a total of 15,000 horse power in this plant at Bull River, or a total of over 22,000 horse power.

The company is at present supplying over 5.000 horse power to the Consolidated Mining and Smetling Company's new concentrator at Kimberly and the Sullivan mine, and in addition is supplying power to the various coal mines in the Crow's Nest Pass and to the towns of Fernie and Cranbrook. The company's fiscal year ended March 31 last, and the annual report will shortly be ready.

Canadian Cottons Interesting In View of High Dividend

MONTREAL. — Officials of Canadian Cottons were frank and definite at the annual meeting. They indicated no possibility of distinct improvement during the coming year but, on the other hand, stated that unless something extraordinary and remote occurs there is little likelihood of any reduction in the present dividen rate. As Canadian Cottons common is on a dividend basis of 8 per cent. and is selling at well below par, the statement was not without significance to investors.

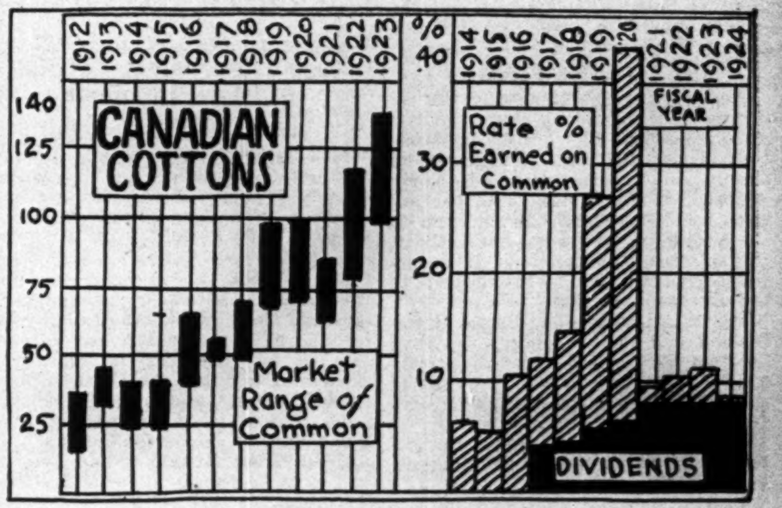
A. O. Dawson, the vice-president and managing director, referred to the outlook for the present year as not too bright, mentioned that the operations are at present being conducted on a reduced scale and from present indications curtailment would be heavy throughout the summer. He added, however, that with a good harvest there was the possibility that demand would be so increased as to warrant the plants operating to a greater extent. Mr. Dawson pointed out that only a small margin of profit can be looked for, pointing to keen British competition, due to the fact that wages there are about half those paid in this country and further pointing to the fact that the factor of exchange is against Canadian manufacturers.

During the course of the meeting, President Charles R. Hosmer stated that, unless something extraordinary and remote occurs, there is little likelihood of any reduction in the present dividend rate.

Though it is now in the market doldrums and is selling about fifty points below the high of last year, Canadian Cottons common stock still has a great deal of investment strength behind it. From the viewpoint of actual book value, few stocks rank better The tangible book value of the stock is around $200 a share, which may be regarded as conservative in view of the known policy of caution of the men behind the company. The earning power has also demonstrated itself over a term of years. During the past ten years Canadian Cottons common has earned over 146 per cent., an average of 14.6 per cent. per year. As high as 38 per cent. has been earned on the common stock in one year. Yet while 146 per cent. has been earned on the common stock in ten years, total dividends paid out have been little over 50 per cent. This means that in ten years Canadian Cottons has ploughed back 100 per cent. of its common stock in earnings that have gone to strengthen the security and increase earning power.

With such a record behind it, it is not surprising that Canadian Cottons is always strong as regards liquid position and that its working capital is substantial and sufficient. The flood loss of last year cut into the company's resources by $136,000 and the management is now pursuing a careful policy of spending to restore this money. The damaged plants have been repaired.

The common stock now pays 8 per cent. dividends and, despite the fact that the present immediate outlook for the company is for somewhat difficult conditions that will probably keep earnings very little if anything above the dividend rate, there is no reason why the dividend should not be maintained. Past earnings have built up a reserve that would justify such action although, of course, the directors will decide according to their own judgment of the matter as the years roll on. At 8 per cent. the stock yields the investor close to 9 per cent., assuring a higher-than-ordinary yield and excellent speculative possibilities. In view of the past record of Canadian Cottons, the purchaser at to-day's market has fine chances of a speculative profit, but, of course, a purchase must be made with the possibility of a prolonged hold in view.



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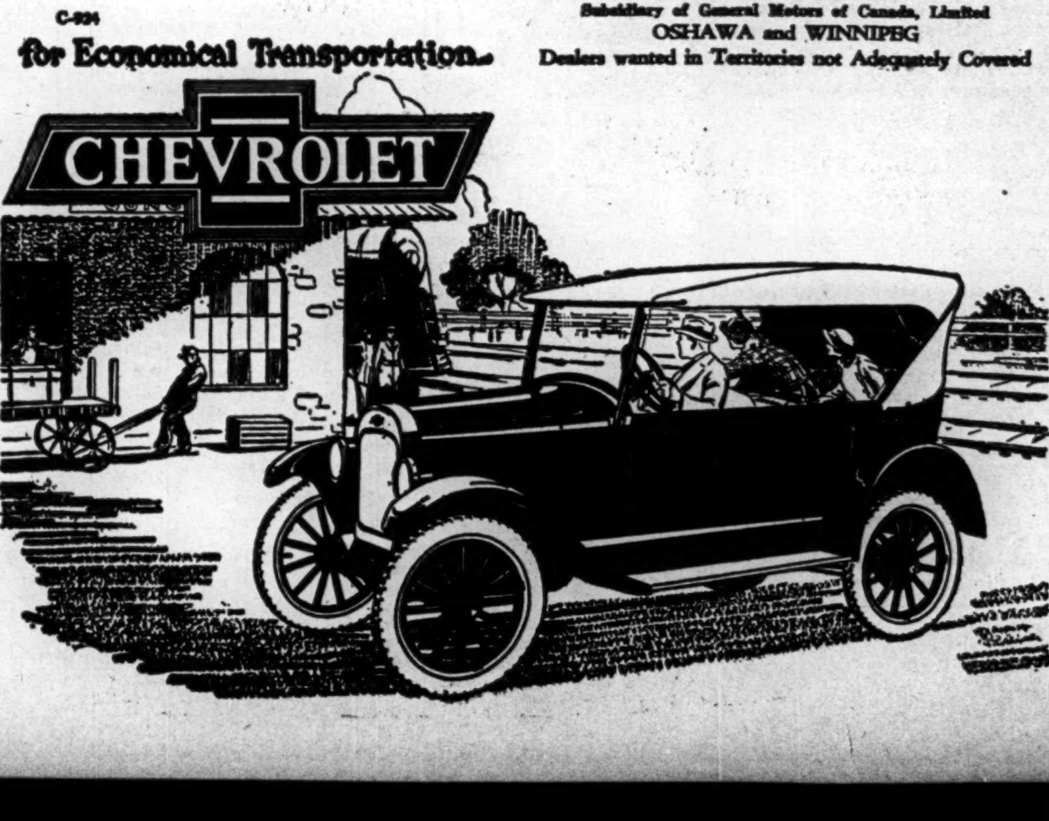

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Pulp and Paper Securities

POWER PROJECTS BEING DEVELOPED FOR PAPER MILLS

Power and Paper Production Are Closely Linked in Canada

From Our Own Correspondent

MONTREAL.—At the present time there is a good deal of water power development under way in Canada on account of new pulp and paper developments. The largest power development at present in process of construction in Canada is the Duke-Price development at Grand Discharge on the Saguenay River, which will have an ultimate capacity of 420,000 h.p. Much of this great supply is destined for the pulp and paper industry, 200,000 being already under contract for use by Price Brothers and Company. The Western Quebec Paper Mills are erecting a plant at St. Andrew's East, Quebec, which will have a capacity of 1,800 tons a year of light papers. The St. Regis Paper Company is developing a water-power site and building a small mill at Godbout, Quebec. The American Perforated Wrapping Paper Company, of Albany, New York, is building a mill at Sheet Harbour, Nova Scotia, with an annual capacity of 25,000 tons of pulp. The company has completed a contract with the Nova Scotia Power Commission for 6,000 hydro-electric horse power and the commission is now installing a plant to supply it.

Others in Prospect

Among pulp and paper mills now in active prospect may be mentioned those of the Manitoba Pulp and Paper Company, near Winnipeg; the Ontario Paper Company at the mouth of the Outardes River in north-eastern Quebec; the Canada Paper Company near Richmond, Quebec; a paper mill for the St. Regis Paper Company at Quebec City and the Rothermere project on the Manicouagan River, in Quebec.

Most of these developments are being located where they are, because of abundant supplies of cheap power. Cheap power is essential in paper production. In fact the amount of power required in pulp and paper production is higher per dollar value of product than in any other industry with the exception of some of the electro-chemical and electro-metallurgical processes. It is not surprising, then, that 90 per cent. of the motive force in Canada's pulp and paper industry is supplied from her water powers.

The oft-quoted figure of 100 h.p. as the amount of energy required to make one ton of paper per day is familiar to most of those who will be reading this. Some average figures based on general conditions to show how this large amount of power is used could be quoted. One large and representative Canadian mill uses on the average 73 h.p. for each ton of mechanical pulp produced; 67 h.p. of which is for the actual grinding alone. The production of sulphite pulp for mixing with the groundwood pulp requires 8.7 h.p. per ton of daily output in this mill although in other mills as high as 30 h.p., is required for the production of sulphite. The conversion of the two kinds of pulp into newsprint requires 12 h.p. per ton of daily production.

Large Amount is Electricity

According to the most recent compilations of the Dominion Water Power branch, there is at the present time a total of 726,275 h.p. of water power used in the pulp and paper industry in this country. Gradually this water power is being converted to the more elastic electric drive and 438,708 h.p. or 60 per cent. of the total is converted in electric power before being used. Of this latter total 210,053 h.p. is electrical energy generated in power plants connected with the mills; the remaining 228,855 h.p. is purchased from central electric stations.

The advantages of the conversion of water power into electricity before use in the mill appear both in the quality of the product which is improved by the uniform speed obtained and in the fact that under modern methods of transmission it is possible to develop power at one or more sites more or less remote from centres of labor and transportation and to transmit it to points where these commodities are available for mill operations.

The best modern practice in pulp and paper mill operation is to establish the mill most conveniently from the standpoint of operation and transportation, and the power site at the most convenient site from the standpoint of power development and to link the two units with a transmission line.

Below are given estimates of the pulpwood resources of the various provinces and of the water power resources at the minimum ordinary flow:

AVAILABLE PULPWOOD AND WATER POWER OF CANADA

Province	Est. Pulpwood Res. Mill. Cords	Avail. Water Pwr. at Ord. Min. Flow h.p.
British Columbia ..	285	1,931,142
Prairie Provinces ..	185	4,259,253
Ontario	200	4,950,300
Quebec	300	6,915,244
New Brunswick	33	50,406
Nova Scotia	30	20,751

NEW MILL AT COAST

The creation of a $300,000 lumber mill on Granville Island, Vancouver, B.C., for K. M. McNeill, has just started.

DAWES' PLAN TO HELP U.S. PAPER MAKERS

Will be Factor in Eliminating Overseas Competition, According to Students

From Our Own Correspondent.

NEW YORK.—That the adoption of the recommendations of the Dawes Report by Germany and France, will in the long run help eliminate a great part of the overseas competition in the paper market in the United States, is an opinion apparently held by a large number of the better informed students of the American market. Those who hold this view have contended for some time past that the overseas paper, which has done so much within recent months to disturb the American paper market came here because its makers could not find a market for it elsewhere. Had the German market been able to absorb its usual quota of newsprint for instance, they have often stated, it would not have been necessary for Norway, Sweden and Finland to ship such large quantities of both pulp and paper to this side of the Atlantic.

A return of anything even approximating normal conditions in Europe, it is therefore believed, will increase the demand for paper in Europe to such an extent, that it will not longer be necessary for the European papermakers to find a large part of their output in the United States.

Fifty-Five Years Ago

SINCE 1869 this Bank has been identified inseparably with the development and progress of the Dominion. A Canadian institution, energized and directed by Canadians, it serves every phase of our business and private life at home, and has played no small part in the steady expansion of Canadian trade in foreign markets.

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BIG CREOSOTE ORDER

SYDNEY, N.S.—An order for 1,000,000 gallons of creosote for Canada Creosoting Company, Trenton, Ont., has been received by Dominion Tar and Chemical. The chemical plant takes about 20,000 gallons of tar a day from the Besco works, and the percentage recovery of creosote is quite large.

Annual Shareholders Meeting of WESTERN GROCERS LIMITED and PRESIDENT'S ADDRESS

At the Annual Shareholders' Meeting of Western Grocers Limited, held at the Head Office of the Company on Tuesday, May 6th, 1924, with President W. P. Riley in the chair, the following were unanimously re-elected directors of the Company:

W. P. Riley, W. H. McWilliams, Andrew Kelly, H. W. Hutchinson and E. E. Hall.

The directors' statement for the year 1923 was presented and approved, after discussion of various items by those present.

Following this discussion the meeting passed a vote of thanks to the directors and officers for the results obtained in 1923 in face of unfavorable trade conditions. In submitting the statement for the year, President W. P. Riley addressed the meeting as follows:

ADDRESS OF PRESIDENT W. P. RILEY

In connection with the presentation of our annual statement, the following comment on conditions surrounding the operation of your Company's business may be of value.

The year 1923 was generally a difficult one for wholesale grocery institutions in Western Canada, and I think that will apply to the entire Dominion. The causes back of this were the same general conditions that unfavorably affected other lines of general jobbing trade. The buying power of consumers in Western Canada was materially cut down because of the lack of profit in agricultural operations.

Most of our grocery houses serve the trade, which in turn, serves the farms. Those of our branch houses in the lumbering and mining districts are also, to a large degree, affected by conditions of the Western farmers. Taken as a whole, the crop of 1923 in the Prairie Provinces was a good one, but it yielded the farmers little if any profit. Much of the money derived from the crop went to pay old debts in great variety. The agricultural community necessarily economized on merchandise purchases of all kinds [illegible] had the same effect on the grocery trade as on various other lines of business.

You often hear it said that the grocery trade should be good in any kind of times, because people must eat. That is only true in part. The people eat, but they do not buy the wider variety of grocery items that are ready sellers when the farmers are making a profit. The wholesale grocery business is operated on a narrow margin of profit, and that extra one, two, or three per cent. which is derived from the sale of that wider variety of grocery items in the better times, makes a material difference in gross profits. In 1923 as well as in 1922 the business of wholesale grocery houses generally was largely in hard staples sold at a low range of gross profit. The demand for the more profitable lines was limited by the conditions referred to.

Good Turnover For Year

Under the conditions our volume of business in 1923 was satisfactory. Your Company well maintained its position in the wholesale grocery trade of Western Canada, and we did this on a selling policy consistent with good sound business principles. Your management always keeps in mind that we are in business to make a fair and reasonable profit, one that will sufficiently reward the Company and at the same time enable us to be of the most possible service to our customers and to Western Canada. Our aim and policy is always to sell as good a volume as we can at a fair profit to good credit risks, and to stick to solid methods.

Cost of Operating

We have always given very careful attention to cost of operating. Even during the boom period, which ended in 1920, when cost of operating soared to a high basis, your management did not surrender to the policy of high costs on some large items in vogue at that time. Since 1920, when the high tide in business began to recede, most business institutions have had to deal with the difficult problem of reducing expenses without impairing the efficiency of their organizations and service. As we had not allowed some important items of expense to mount as high as was the general custom in the boom period, our problem in reducing expense following the boom period was not quite so difficult.

We are giving this problem constant and careful study, with the constant aim of effecting every economy possible. We have kept in mind all along that it is of first importance to the Company that a good and efficient organization be maintained. We have made whatever adjustments in staff seemed advisable in the interests of economy and efficiency. We have always taken much pride in the loyalty, ability, the application, and personnel of our staff, and we feel we have more reason for that today than ever before. In every business there is always room for improvement. We have endeavored to be alert to such opportunities in this business. We feel that our organization is in good shape to deal with present conditions and to make good use of opportunities which the future may present.

In Strong Financial Position

Your company is in a strong position financially. At our last general meeting our liquid position was good, but we materially improved it during 1923 by reducing our accounts receivable. We accomplished this by careful attention to collections, without antagonism to our customers. We carried this work on in a constructive way, aimed to benefit the conditions of our customers as well as ourselves. One of the causes underlying business troubles in Western Canada has been that of cheap credit. It has worked harm in all branches of wholesale and retail trade. Many failures of retail dealers would have been avoided, and those dealers would be solvent today had they not been the victims of too cheap credit. Because credit was given them in excess, they gave credit to their customers in excess, and when the depression came they failed. They and their customers assumed obligations greater than they should because of too cheap credit. Sufficient credit is necessary to the operations of all good merchants, but it is absolutely necessary to the future of Western Canada that the credit and financial side of business be put and kept on a moderate and healthy basis. We believe in and advocate thorough collection methods for both retailer and wholesaler. The number of days business represented in our accounts receivable at the end of 1923 showed that we had effected a marked reduction in our out-standings during the year, and this is real progress.

Stocks of Merchandise in Clean Shape

Along with our investment in accounts receivable, we have also given close attention to the condition of our stocks of merchandise. Our invariable practice is to inventory these conservatively—at no more than cost or replacement values. We also constantly aim to keep the stocks fresh and turning. As a result of this attention our stocks of merchandise are in good clean shape, and represent values promptly convertible into money, dollar for dollar.

Has No Bonded Indebtedness

It is well to call your special attention to the fact that your Company has no bonded indebtedness excepting the $85,425.00 unmatured mortgage on our Vancouver building, which we assumed when we bought the Vancouver business. The shares of the Company have, therefore, no bonds standing between them and the net assets. The liquid position of the Company is good; and we can conservatively say that your Company has boiled-down convertible physical assets equal at least to the total par value of the outstanding preferred shares, if not more. This, of course, does not take into account the item of good will, which was one of the items on which the issue of common stock was based, and which, with the future development of the West and the growth of the Company in earning power, may be expected to materialize.

Dividends on Preferred Stock

After having paid continuous cash dividends on the preferred shares for the period beginning in 1919, it was decided by your board of directors on October 1st, 1923, to discontinue for the present the payment of further dividends on these shares. This action was taken in view of the conditions of trade in general business which began to be more clearly defined in the midsummer of 1923—indications pointing to a lesser demand for merchandise than had been anticipated as a result of the good crop. In view of the unfavorable general conditions prevailing in the West for some time back, the record of your company in paying dividends on the preferred shares as long as it did is a good one. At the same time your directors are satisfied that they acted wisely in discontinuing the preferred dividend until such time as conditions in the West became more normal.

Our Bank Indebtedness

There is one feature of our business to which we think it well to call your special attention. Comment is occasionally made on the fact that we are large borrowers from our banks. The fact should not be overlooked that we have no bonded indebtedness nor debentures outstanding. With such a large turn-over as we enjoy, we necessarily must use considerable sums of money for the transaction of that business, just as do the large majority of business institutions who have a volume as large as ours. But on the other hand, we keep our physical assets in such boiled-down and liquid conditions to make our relations with our bankers satisfactory to them, and we make it a practice to deal with our bankers with utmost frankness.

As to the Future

Western Canada has been going through a business depression for four years. It has lasted longer than most people probably thought possible. Your company has come through this period safely, is sound financially and is equipped in organization and resources to meet the opportunities of the future. It is doing a good volume of business, which is handled on a safe and careful basis. It is contributing its share to the development of sounder business methods in the trade of the West, which are essential to put Western business on a better basis. Your Company's business is in healthy shape. Like most institutions in the West, our net earnings are not as good as we had anticipated. Your Company's organization is exerting its best efforts in your interests.

Naturally you want our view of the future. Your management has firm faith in a prosperous future for Western Canada and for this Company. Over a period of several years there is no doubt that this Company will produce very satisfactory results. As to the immediate future, this year and next, we expect a slow, but gradual improvement in conditions in the West. It may not be much in evidence this year, but it is on the way. In our opinion, conditions in the West have struck bottom. We have seen the worst of it. The change now will be for the better. The full recovery will take time, but it will be the policy of your management to conserve the Company's resources, maintain as economically as possible an efficient organization, and be well prepared to take full advantage of the better conditions anticipated.

I also wish to express my deep appreciation of the loyal efforts of our organization and the co-operation rendered me by officials and directors. We feel that we have good team work in Western Grocers Limited. In this we include our bankers, who are always ready to give us co-operation in the advancement of the business.

Old Officers Re-elected

At the meeting of the Board of Directors, following the Shareholder's meeting, the officers were re-elected.

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MINING NEWS FOR THE INVESTOR

POWER DEAL OF GREAT BENEFIT TO HOLLINGER MINE

Will Mean That the Treasury Will Not be Taxed for Big Project

The power deal, announced on the front page of this issue, whereby the Insull interests of Chicago take over the Fasken power projects, supplying the power to gold and silver mines of Northern Ontario, and also secure the Hollinger power project, is a happy solution of a long drawn out power battle. Immediately it means more to Hollinger shareholders than to anyone. The four million odd dollars which were being diverted into the power project, will instead be available for dividends. The long drawn out litigation which seemed destined to go on and on will be at an end. Details of the deal are not announced. It is understood that it will be consummated next week.

The Insull people are the biggest power interests in Chicago. They are not new to the Canadian field. They are quite heavily interested in the power project at the Soo and are at present figuring heavily in another large Canadian project which if successfully consummated will mean much to Canada and Ontario in particular.

Argonaut Made Fair Profit Last Month

April production at Argonaut Mine was over $22,000, which compares with $17,000 for March. There was an operating loss in March, and it is understood that there will be a small profit for April. The company is understood to have solved its milling problem, and is now recovering gold from its ore in a satisfactory manner. Considerable development work is being done, which is charged against current production. The grade of the ore being developed is considerably higher than the values that are now going through the mill.

Says Canadian Bingo Shares Worth Dollar

With Bingo mining stock quoted on the Winnipeg stock exchange, there has been a considerable amount of interest created in it. One question frequently asked, however, and not always easy to answer, is the relative value of the Canadian stock to that isued by the Bingo Mines, Ltd., the British corporation which owns the entire property.

It may, however, be worked out fairly acurately, as follows:

Bingo Canadian stock is worth the value of the 37,500 one pound ten per cent., cumulative shares plus the 218,750 one pound shares of common stock issued in payment for the Canadian property.

The most recent quotation of the one pound cumulative shares on the London market was at 25 shillings per share. The present rate of exchange may be taken at $4.45 per pound, which will work out at a value of $5.55 per preferred one pound share. It has generally been thought safe to assume that the common stock should be worth 80 per cent. of the preferred stock, and on this basis each share of common would be worth $4.45, which would give a total of $208,125 for the preferred and $973,439.50 for the common. Added together $1,181,562.50. Against this amount there are liabilities of $12,119, reducing the amount to be applied on Canadian stock to $1,169,443.50. The Canadian shares total 1,063,529, which would bring the present price for Bingo Canadian as close as possible to $1.10 per share. These figures, of course, are based on the rate of exchange which varies from day to day, and on the London market of the British stock, which is also liable to variation from day to day.—From Winnipeg Free Press.

Will C.P.R. Build Line on to The Bay?

Northern Manitoba is facing prospects of another railway to tap its mineral belt. There is talk of continuing the Tufnell-Tisdale line to Cumberland House and later on to Hudson's Bay. The feeling at The Pas is that the C. P. R. and Mining Corporation which owns the Flin Flon copper mine have got together on the matter of a branch line. The Flin Flon is 100 miles away from the government railway.

Believe C. W. Dome Has Sufficient Finances

It is stated that the balance of the 40-cent stock of Consolidated West Dome, underwritten, has been taken up. Reports from New Liskeard, where nearly a million shares of Consolidated West Dome Lake is held by the Hudson Bay Mining Company, and with large individual blocks by Hudson Bay officials, is that the directors of Consolidated West Dome Lake are of opinion that the funds in sight will be sufficient to carry the enterprise to the point where milling operations will place the mine on a self-sustaining basis.

TO START DEVELOPMENT

Pres. Homer Gibson, of Clifton Consolidated, is now on an inspection trip to the company's South Lorrain holding, which it is preparing to develop.

MILLING ANNOUNCEMENT NEAR

Judge F. H. Phippen, president of Tough Oakes Burnside Gold Mine, is expected to return from his South American trip on May 18, and there will probably be an announcement of the company's policy regarding milling operations soon after that date.

Searching for Leader For Mining Market

The mining market has shown more activity during the past week than it has for some six weeks or so. It was not a sound and encouraging activity, however. The big movement was in Canadian Lorrain and had its basis in a report that an excellent discovery had been made on the property. The result was that the stock soared from 41 to 68½ in a few hours trading. Later when it was discovered that the report was "not quite correct," the stock broke back. The rise in this stock had all the earmarks of professional backing, actuated by a desire to find a market leader. It will be remembered that it was last May that the mining market enjoyed several million share days. The brokers could stand the profits that another such burst of activity would bring to them. Such breaks as Canadian Lorrain took, however, will only tend to drive the public further away rather than enticing them into the market.

With the margin accounts fairly well shaken out by the steady decline in prices, it would seem that the market is now fairly well stabilized Stocks seem in fairly strong hands and held for higher prices as orders of any size at the present prices are going unfilled. In fact it is quite difficult to fill orders at the present range and a buy "at the market" order, if of any size, is bound to put the price up materially.

TORONTO ENGINEER TO EXAMINE INDIAN

R. B. Lamb as Representing New Capital on Way to Look Over Property

New working capital for Indian Mines in Portland Canal area, British Columbia, has been secured in Toronto and New York. As a result, R. B. Lamb, mining engineer, Toronto, is now on his way west to inspect the property.

The recommendation made by Engineer A. W. Davis in his recent report advocating extension of the lower tunnel to tap the large No. 6 ore body will be taken forthwith. The campaign of diamond drilling, which has been so profitable in locating the extensions of the ore will be continued.

A report has come to hand from British Columbia that the Provincial Government will assist the company in the matter of a new bridge over the Salmon River, and a wagon road to replace the trail to the mine.

The geological similarity between the area owned by Indian Mines and that of the Premier and Dunwell properties is indicated by Mr. Davis's report. The Dunwell has come to the front with successful development of high-grade deposits during the past few months, and the Premier has made net profits of about $7,750,000 since 1921.

ORE RESERVES OF KEELEY VERY HIGH

Fine Annual Report Presented by Big South Lorrain Silver Producer

Production	$1,589,010
Gross earnings	1,093,047
Net earnings.	582,648
Dividends.	400,000
Surplus	303,292
Ore reserves.	3,742,954

The above are the outstanding facts of the report of Keeley on last year's operations. The advancement made was remarkable. Ore reserves are about trebled, while at the same time the mine doubled its production. Net earnings available for distribution to the shareholders total 29.13 per cent. on the $2,000,000 capital stock. Costs are reasonably low when the transportation costs which the company had to face and the development carried out, are considered. General expense per ounce was 30c., and including capital expense 40¾c., while silver netted the company 68¾ cents.

During the year 33,397 tons were hoisted.

An Important Find in Grenfell Township

There are reports of an interesting find in Grenfell Tp. on what would be a western continuation of Kirkland Lake belt. Two veins are reported uncovered, one having a width of six feet and showing gold by panning. The other has a width of ten feet and carries considerable visible gold—the native gold showing right at the grassroots.

The group of fourteen claims are owned by Nathan Jowsey, G. W. Dickson, Jas. Labine and others. Labine is one of the men who grubstaked Benny Hollinger at the time the Hollinger Mine was staked.

Hackett Mines Formed in Northern Manitoba

From Our Own Correspondent.

WINNIPEG.—It was announced on Saturday that the Hackett Gold Mining Company had been incorporated here. Michael Hackett is a well known prospector and old timer of the Herb Lake district, about one hundred miles north of The Pas in Northern Manitoba district and owns several claims which he believes to be very promising. He succeeded in interesting Mining Corporation interests in the property. They are prepared to provide money for exploratory and development work this year.

NEW YORK CONTESTS WITH LONDON FOR CONTROL OF SILVER

Battle for Supremacy Being Waged—Eastern Market the Prize

NEW YORK.—The contest for the supremacy of the world's silver market is being waged between New York and London, with the prospects greatly favoring the former. Heretofore, the silver supply of practically the entire world was disposed of in London. The Far East is the largest purchaser of this metal, and, of course, Great Britain, with her old established banking relations in these countries and predominance in the shipping industry was the logical centre for the silver trade. It also must be taken into consideration that most of the European trade with the Far East has been conducted on a sterling basis. But all this is passing. Banking interests in the United States have established branches throughout the Orient and the expansion of the American merchant marine is rapidly pushing New York to the fore. Dollar credits and transactions on a dollar basis are becoming nearly universal.

World silver production is approximately 175,000,000 ozs. The combined countries of the American (including Canada) produce more than 81 per cent. of this silver, of which the estimated United States production for the year 1923 will be approximately 45,000,000 ozs., or 25 per cent. of the total, compared with 60,000,000 ozs. mined last year. Mexico has the largest individual output of the metal. Estimated figures place the amount at 90,000,000 ozs., of which 70,000,000 is exported, the remaining 20,000,000 ozs. being used for home consumption. New York and San Francisco get practically the entire Mexican exports. The decrease in the United States production is attributed to the cessation of governmental purchases under the Pittman Act, and falling off in the demand from Europe. Canada produces about 17,000,000 ozs. yearly, and the other countries of Central and South America nearly 11,000,000 ozs. The combined total for the Americas reaches about 163,000,000 ozs.

With the education of India and China, that silver can be purchased direct from New York or San Francisco instead of London, who has to buy from the United States and then re-ship, a new factor has entered the market.

Exports of silver from the United States to India for the first eight months of 1923 were valued at $10,158,400, compared with $6,552,900 for the same period in 1922, and $1,848,053 in 1921. The exports to England for the first eight months of this year were $3,959,599, and for 1922 $7,044,690. The decline in the shipments to England, the remarkable gain in the amount sent to India, it will be seen are nearly even, the inference being that India now is buying direct from the United States. Exports to China have risen from $13,400,000, in 1921, to $20,650,000 in 1923.

The greatest difficulty to be surmounted is the discrepancy in freight rates and improvement in the steamer service. The time of shipment and freight charges from London and New York are virtually the same, but steamship service from London is a little faster, however, New York is gradually bettering its service to the Far East. One important factor in favor of New York is the lower price for silver, which more than offsets the interest charged for the time in transit.

SILVER AND OTHER METALS

	12	13	14	15
Silver—				
New York	65⅝	65¾	65⅛	65¼
London, (P.) . . .	33⅝	33⅝	33 9/16	33⅝
Copper	—	13⅝	13¼	13¼
Lead	—	7.50	7.50	7.37
Zinc	—	5.80	5.85	5.90

Mining Stock Quotations

Week Ending May 13

	High	Low	Close May 13	Close May 6
Apex	3⅝	2⅞	3⅝	2¾
Argonaut	50	47½	48½	51
Atlas	4½	3¾	4	4
Baldwin	3	2½	2⅞	2¾
Beatty	4¾	4¼	4½	4⅝
Beaver	21⅞	20	20½	21½
Bidgood	8	7¾	7¾	8
Boston Creek .	3	3	3	3
Buckingham ...	2½	2⅜	2½	3
Can. Lorrain ..	68½	40½	47	40½
Capital	35	33½	35	35½
Castle Tre. . . .	74	72	72¼	74½
Clifton	14⅞	14½	14⅞	14½
Clifton Con.. .	15	14½	15	15
Coniagas	1.75	1.75	1.75	1.85
Cons. Smelters.	40	34¼	39	34½
Cons. W. D....	23½	23	23½	23
Col. Kirk.	5	2½	5	5
Crown Res. . . .	58½	53	54	54
Dome Mines .	16.35	15.95	16.00	16.35
Everett	8	6½	7½	9
Gold Reef . ..	1¾	1½	1¾	1¾
Goldale	19¾	16	19	22
Hattie	6½	5⅛	6	5½
Hollinger . . .	12.95	12.50	12.50	12.45
Hunton	9¾	9¼	9¼	9½
Inspiration . ..	7	7	7	7
Indian	23½	21	23	21
Keora	9⅞	8¼	9¾	8¼
Keeley	2.22	2.18	2.20	2.19
Kirk. Lake . .	22	19¾	19¾	22
Lakeside	15	13½	13½	15
LaRose	10¼	10	10	10
Lake Shore ...	3.75	3.70	3.70	3.70
Lorrain, T. L...	1.33	1.28	1.30	1.32
Lorrain	13	12	12½	12
McIntyre . ..	16.20	15.95	15.95	16.05
McKinley	12½	12	12	12¾
Mining Corp. .	3.10	2.97	2.97	3.00
Moneta	18	17½	18	16½
Montreal, Ont. .	6	5	5¼	7
Newray	31	29	29	30½
Nipissing	6.30	6.20	6.25	6.25
Night Hawk ..	65	63	63	65
Pete. Lake . ..	7⅞	7½	7⅞	7¾
Porc. Crown . .	8	7	7	7
Preston E. D.	11⅝	10⅞	11	11
Rouyn	11	9½	10	12⅝
Teck Hughes .	1.20	1.14	1.15	1.18
Thomp. Krist .	3½	2¾	2¾	3⅝
Temiskaming .	23	21	22	23
Tough Oakes. .	67	64	65½	67
Trethewey . ..	14½	13	14¼	12¾
Skead	18½	16¼	18	16
Vickers	11	10	10	12
Vipond Cons. ...	1.10	1.06	1.06	1.08
Wasapika	2¾	2½	2¾	2½
West Tree . ..	3½	3	3½	3¾
Wettlaufer . .	26	24½	24¾	25
Wright Har. ..	2.97	2.85	2.95	2.85
NEW YORK PRICES				
Inter. Nickel—com.	12	11½	12	12
OIL COMPANIES				
B. A. Oil	34¾	34½	34¾	34¾
Imperial	105	104	105	104½
Inter. Pet. . ..	18¼	17¾	17¾	18½
Mutual	10⅝	9⅞	10	10½

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MANY DEALS PENDING

Three or four decidedly important mining deals, involving Northern Ontario property, are pending. Considerable English capital is involved in the majority. One of the main ones has to do with Matachewan, while in another an important Larder Lake group is involved.

OPERATING IN TUDHOPE

Dr. McIntosh Bell, who recently took up the Farrar claims in Tudhope Tp., east of Elk Lake, for Huronian Belt, of London, is starting a gang to work immediately. Excellent surface showing are reported to have been found.

NIPISSING'S APRIL OUTPUT

Nipissing Mining Co., in April, mined ore having estimated value of $167,242, and shipped 353,007 ounces of silver in bullion and residue valued at $238,661 with silver at 64¼ cents an ounce. The company, in March, mined ore having estimated value of $179,020, of which $166,400 represented silver, and $12,640 cobalt, and shipped 301,738 ounces of bullion valued at $205,136 with silver 64 cents an ounce.

Who Pays the Taxes?

The American Educational Association of Philadelphia has issued a poster bearing the accompanying text:

Let us face the matter fairly and squarely. Everybody pays taxes! We may not own one square foot of land or the first two bricks of a house. We may not have $7 in the bank, or one single $10 bond or savings certificate. We may not own the tools we work with, the stove we cook with or the bed we sleep on. We may not yet have paid in full for the hat on our head, the clothes on our back or the boots on our feet.

But we pay taxes, just as surely as if we owned houses and lots, stocks and bonds, bank accounts, farms, mills, factories or railroads.

We all have to eat. If the grocer's landlord has to pay higher taxes the grocer has to pay higher rent, and we have to pay the grocer higher prices for our food.

We all have to sleep. If the man who owns the house we rent has to pay higher taxes, then we have to pay higher rent.

We all have to wear clothes. If the clothing manufacturer and merchant have to pay higher taxes, then You and I and The Other Fellow have to pay higher prices for our clothing.

If the railroads have to pay higher taxes, they have to charge higher rates for carrying coal, and we have to pay higher prices for our fuel.

We all have to pay taxes! We can all see how this principle works in these direct ways. But the indirect ways in which high taxes are the cause of high cost of living are so roundabout that it is not always clear that in the long run we who are consumers must all pay taxes.

Unduly heavy taxes on financial institutions mean high interest for loans, expensive mortgages and just so much higher cost for the houses we buy or rent.

Every time we pay $1 to a railroad, we pay 5 cents for taxes.

No matter who pays taxes directly to the tax collector, we all pay our share indirectly, whether we own taxable property or earn a taxable income, or not.

Out of every $8 of our national income $1 goes for taxes, Federal, State and local.

The boy whose living expenses are $8 a week pays $1 in taxes in the form of prices made higher by taxation.

The man who pays out $24 a week is paying $3 of taxes, the man expending $48 pays $6, and so on. And he pays this, even if he does not own one dollar's worth of taxable property.

He pays it in cost of living, and he cannot pass the cost along to somebody else.

Let us all remember that we now pay $1 out of every $8 for taxes!

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Eighteen Branches Closed During April

Returns from the various Canadian chartered banks for the month of April show that while there were no new branches opened there were eighteen branches closed during the month. The Bank of Commerce closed eleven branches in various parts of the Dominion. Following is a list of the branches closed :

CLOSED

Commerce—James and Merrick, Hamilton; Nanticoke (sub-agency); Corbetton; Proton, Ont; Gottingen St., Halifax; Beatty, Pathlow, Keeler, Sask.; Dunrea, Lenore, Snowflake, Man.

Hochelaga—Elie, Man.

Imperial—Crossfield, Alta.

Montreal—Thornbury, Ont.; Lyn, (sub to Brockville); Botha, Huxley, Alta.

Toronto—Carbon, Alta.

Exchange

The outstanding event of the week in the exchange markets was the rapid decline of the French franc, which resulted from the unexpected outcome of the French elections. The major group of exchanges opened higher on Saturday, May 10, francs rising to 6.005. On Monday, the day after the elections, the franc dropped to 5.525, which is approximately 1 1/3 cents below the highest point for this year. The decline was accompanied by a sympathetic movement on the part of the minor continentals, and a slight decline occurred even in the case of sterling.

Following are daily quotations for the week on New York funds, sterling, francs and lire:

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
May 8	1 7-8	1 3-4	2 1-64	2
May 9	1 13-16	1 23-32	2	1 31-32
May 10	1 23-32	1 5-8	2	1 31-32
May 12	1 23-32	1 21-32	1 15-16	1 7-8
May 13	1 13-16	1 25-32	1 15-16	1 29-32
May 14	1 13-16	1 3-4	2	1 15-16

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
May 8	4.36¼	5.96½	4.45¼
May 9	4.36¾	6.01½	4.46½
May 10	4.37	6.06½	4.45¾
May 12	4.26¼	5.60½	4.24¼
May 13	4.36⅜	5.67	4.44¼
May 14	4.36⅞	5.89	4.43¼

H. E. Tylor, manager of the local branch of the Bank of Commerce, is leaving Oshawa in the very near future to take a very responsible post at the head office of the bank in Toronto.—The Reformer, Oshawa.

Weekly Bank Clearings

(In comparison with same week last year).

Eastern Cities

	Week end. May 10, 1923	Week end. May 8, 1924
Halifax	$ 4,568,482	$ 3,104,661
St. John	2,686,861	2,864,274
Moncton..	1,517,523	846,233
Sherbrooke . ..	779,205	1,038,006
Quebec	4,891,624	5,625,564
Montreal	129,104,843	123,573,755
Ottawa	13,199,518	11,247,651
Kingston	718,062	786,340
Peterborough ..	919,751	896,718
Toronto	101,721,307	102,729,722
Hamilton	6,064,496	5,496,275
Brantford	1,101,084	1,079,723
London	3,306,073	3,364,004
Kitchener	1,243,475	1,179,531
Windsor	3,125,748	3,188,122
Total, East ..	$274,948,052	$267,020,579

Western Cities

	Week end. May 10, 1923	Week end. May 8, 1924
Fort William .	$ 880,604	$ 1,022,005
Winnipeg	64,426,118	65,716,993
Brandon	584,321	583,045
Regina	3,048,666	3,643,819
Moose Jaw	1,070,464	1,233,960
Saskatoon	1,544,490	1,700,564
Prince Albert ..	363,350	358,467
Lethbridge . ..	495,464	755,003
Calgary	4,339,732	6,625,176
Edmonton	4,174,216	3,647,787
Medicine Hat ..	276,625	303,161
N. Westminster	557,937	640,698
Vancouver . ..	14,390,187	15,786,344
Victoria	1,808,038	2,369,275
Total, West ..	$ 98,460,212	$104,386,297

NEWS OF THE BANKS AND BANKING

CHANGES LIKELY BY PARLIAMENT IN THE BANK ACT

Auditor Believes Head Office Inspection Would Help

From Our Own Correspondent.

OTTAWA.—Important changes in the Bank Act may be looked for. The developments of the last year in the banking situation, together with the revelations through the McKeown commission have worked a big change in the views of the average member of parliament on this subject. This seems to be just as true of the members from the East as it is of those from the West.

It may also be taken for granted that the committee will cover quite a field in its enquiries. The old spirit which when banking matters came up for discussion used to assume a "keep-off-the-grass" attitude, seems to be gone. The subject seems to be wide open, and anyone who has a reasonable suggestion to make is likely to have a chance. The Home Bank affair apparently has knocked the bottom out of things.

The first meeting of the Banking and Commerce committee did not give one much of a line on what might be expected, the time being devoted to the consideration of details; but at the second meeting the real spirit of the members showed itself, and it soon became evident that there is an inclination to make radical changes.

The members of the committee went right to the mat with Auditor Geo. Edwards, on the question of government inspection. His views are important, he being the adviser of the Minister of Finance on banking. The committee wanted his opinion on government inspection, and though he gave it in guarded terms, still he admitted that it undoubtedly would improve the situation, and he expressed the view that he could evolve a satisfactory system, but it would require further study.

Mr. Edwards attached much importance to the change in subsection 10 of section 56 of the Act, which, he said, so defined the duties of an auditor that he could no longer plead neglect as to whether his report was a true statement of the condition of a bank. He had now to give his own opinion, whereas formerly he was not required to do so. He said that if this change had been made some years ago the Home Bank could not have gone on as it did. He also said that the change in sub-section 9 had been very beneficial.

This sounded all right, but the question was asked, would private inspection be enough? Would it be better to have government inspection? The reply to this was that such inspection would not be necessary, if the results of the inspection as at present were made available to the minister so that he could take action. Then the question was asked, whether this discretion was all the protection that the public had, and the reply was "yes."

Head Office Inspection

Mr. Ladner was very desirous of knowing whether a head office inspection of certain accounts would not be more effective. Mr. Edwards said that his idea of an inspection was not an inspection of certain accounts, but of all accounts, and then the putting of these in such a shape as would show the stability of the bank. He thought, however, that such an inspection as Mr. Ladner had suggested would be quite useful. He would not advise its introduction just now, but thought that the present system should be tried out.

Questioned as to whether he had any recommendations of further changes in the Act that would increase the safeguards, Mr. Edwards said that the power conferred on the minister by subsection 9 of section 56 should be put in more definite shape and that the results of the inspections should be got direct to the minister. The committee was impressed with the view that even if the minister had the most ample information it was optional with him whether he used it or not.

Asked, "would you be able to work out a system of head office inspection of certain accounts," Mr. Edwards said: "I think I could," but he added that it would take time, and could not be got ready for this session.

Asked whether, if auditors reported to the minister that a bank was insolvent, if he could point to a section of the Bank Act telling the minister what he should do, Mr. Edwards said that he could not, but he had implied powers. Could he close a bank? He could not; nor had he power to compel other banks to take an insolvent one over. Asked if he favored giving the minister power to close a bank after due investigation Mr. Edwards said that he thought that the minister should have this power. He also favored the appointment of an auditor to keep in touch with the banks.

IMPERIAL

The Imperial Bank announces the following staff changes:—J. G. Deacon, formerly accountant at Edmonton, has been appointed manager at Edson. G. D. Hamilton, formerly acting manager, Edson, has now been placed on the western relief staff. Port Robinson branch, sub to Welland, was closed on May 15. Crystal Beach, sub to Ridgeway, is being opened for the summer on May 26. K. N. K. Allan has been appointed accountant at Cranbrook, B.C. L. C. Bice, formerly teller, Natal branch, has been transferred to Vancouver as receiving teller, replacing R. Gibson who resigned and left the service. G. N. Campbell, paying teller, Regina branch, recently resigned and has left the service. N. B. Cummins, formerly liability clerk, Calgary, is now teller-accountant at Red Deer. E. T. Cuttle, formerly teller-accountant, Yorkton, has been appointed accountant-in-charge at Denholm. G. A. Daley, formerly teller, Calgary, has been appointed teller-accountant, Sylvan Lake. G. H. Davies, formerly teller at Handel, has been transferred to Ruddell. R. E. Bates, formerly teller at North Battleford, has been transferred to Edmonton. H. P. Cann, ledger-keeper at Fernie, has been promoted to the teller's box at the same branch. W. B. Fulton, accountant at Cranbrook, has resigned. W. J. Graham, acting manager, Portage and Colony branch (now closed), has been attached temporarily to the assistant-general manager's dept., Winnipeg. L. H. Ontkes, of Crossfield, has been transferred to Rocky Mt. House, as teller. A. J. Phillips, ledger-keeper at Riverton, has been transferred to the savings dept., Regina.

Bank Statement for Month of March

Immediately Available Liquid Resources

	March 1924	Feb. 1924	Change	March 1923	Change
ASSETS					
Specie	$ 58,616,405	$ 55,818,657+	$ 2,797,748	$ 70,650,447—	$12,034,042
Dom. Notes	138,514,256	155,254,971—	16,740,715	170,047,880—	31,533,624
Gold res.	60,902,533	55,052,533+	5,850,000	55,252,533+	5,650,000
U. K. Banks	6,865,094	9,261,032—	2,395,938	8,020,448—	1,155,354
For. Banks	49,567,681	56,168,838—	6,601,157	57,244,022—	7,676,341
For. curr.	27,363,260	25,645,314+	1,717,946	......+	27,363,260
Gov. secs	288,820,810	286,617,678+	2,203,132	227,807,221+	61,013,589
Call loans ab'd	208,306,568	188,915,774+	19,390,794	202,863,109+	5,443,459
	$ 838,956,607	$ 832,734,797+	$ 6,221,810	$ 791,885,660+	$47,070,947
Loans and Securities Other Than Those of Canadian Government					
Pub. sec.	$ 127,442,024	$ 127,566,078—	$ 124,054	$ 112,958,653+	$14,483,371
Rly. sec.	53,640,188	50,899,403+	2,740,785	44,660,150+	8,980,038
Can. call loans	104,230,641	111,467,549—	7,236,908	89,467,352+	14,763,289
Current	1,006,913,916	987,896,983+	19,016,933	1,058,236,482—	51,322,566
Loans ab'd	179,478,716	185,430,910—	5,952,194	161,527,353+	17,951,363
Prov. loans	16,155,432	15,779,024+	376,408	14,130,377+	2,025,055
Municipal	70,848,782	66,418,468+	4,430,314	70,479,152+	369,630
	$1,558,709,699	$1,545,458,415+	$13,251,284	$1,551,459,519+	$ 7,250,180
Other Assets					
Overdue debts	$	$	$	$ 7,456,539—	$ 7,456,539
Non-cur loans	16,370,066	15,557,493+	812,573	......+	16,370,066
Real estate	6,888,711	6,831,789+	56,922	6,220,072+	668,639
Mortgages	3,935,523	3,902,826+	32,697	3,143,472+	792,051
Premises	70,916,008	71,061,148—	145,140	72,002,327—	1,086,319
Lets. of cred.	51,425,142	49,129,619+	2,295,523	19,082,497+	32,342,645
Loans to comp.	10,173,736	9,778,348+	395,388	......+	10,173,736
Other assets	3,903,922	3,949,956—	46,034	4,016,778—	112,856
	$ 1,163,108	$ 160,211 179+	$ 3,401,929	$ 111,921,685+	$51,691,423
Total	$2,561,279,414	$2,538,404,391+	$22,875,023	$2,455,266,864+	$106,012,550
Note cir. dep.	6,129,552	6,119,119+	10,433	6,458,456—	328,904
Int. bk. bal.	116,699,895	112,321,453+	4,378,442	147,661,047—	30,961,152
Gross	$2,684,108,861	$2,656,844,963+	$27,263,898	$2,609,386,367+	$74,722,494
LIABILITIES TO THE PUBLIC					
Liability to Government and Circulation					
Circulation	$ 170,850,556	$ 163,446,173+	$ 7,404,383	$ 173,258,362—	$ 2,407,806
Dom. Govt.	56,324,095	54,216,188+	2,107,907	34,911,357+	21,412,738
Prov. Govt.	34,596,804	41,234,327—	6,637,523	30,512,210+	4,084,594
Govt. advances	23,028,027	21,871,974+	1,156,053	......+	23,028,027
Deposits by Public					
Demand dep.	493,897,179	491,709,129+	2,188,050	489,977,075+	3,920,104
Savings	1,192,589,899	1,192,561,512+	28,387	1,218,295,721—	25,705,822
Total	$1,686,487,078	$1,684,270,641+	$ 2,216,437	$1,708,272,796—	$21,785,718
Foreign dep.	336,233,989	315,851,252+	20,382,737	299,809,857+	36,424,132
Due to Banks Abroad, Etc.					
U. Kingdom	$ 5,526,250	$ 3,075,132+	$ 2,451,118	$ 6,824,582—	$ 1,298,332
Foreign	30,634,710	35,397,393—	4,762,683	37,097,875—	6,463,165
Bills pay.	8,260,514	8,073,766+	186,748	8,999,652—	739,138
Lets of credit	51,425,142	49,129,619+	2,295,523	19,082,497+	32,342,645
Other liab.	2,269,879	2,141,661+	128,218	2,845,711—	575,832
Pub. liab.	$2,405,637,044	$2,378,708,126+	$26,928,918	$2,321,614,899+	$84,022,145
Due bet. banks	10,511,761	11,070,607—	558,846	12,951,690—	2,439,929
	$2,416,148,805	$2,389,778,733+	$26,370,072	$2,334,566,589+	$81,582,216
Liability to Shareholders					
Dividends	$ 851,884	$ 2,424,275—	$ 1,572,391	$ ......+	$ 851,884
Reserve	123,775,000	123,775,000	......	130,675,000—	6,900,000
Capital	123,409,560	123,409,260+	300	125,335,273—	1,925,713
Gross	$2,664,185,249	$2,639,387,268+	$24,797,981	$2,590,576,862+	$73,608,387

SMOOTH STRANGER GOT A THOUSAND BY CLEVER TRICK

Introduced by Business Man and Deposited Draft for $100,000

Last week, reference was made to $1,000 having been obtained from the manager of a Toronto branch bank on false pretenses. It was a new game and a smooth one—or it would not have succeeded. Here is the story:

A stranger representing himself to be a wealthy Californian arrived in the city. He carried letters of recommendation to men of standing and influence. He talked of going into business in Toronto and was introduced to business men of standing. A building site was mentioned and several properties in the Queen Street downtown district were considered. A favorable decision in regard to a corner property was reached by the newcomer. Negotiations having reached a stage where it was desirable to make a payment the matter of banking arrangements developed in the natural way.

At this stage the local business man took the evidently wealthy stranger to the Queen Street branch of the Bank of Nova Scotia and introduced him to the manager. The stranger produced an authentic-appearing draft for $100,000 in his favor, drawn by a bank in San Hosea, California, on a bank in San Francisco. The "draft" was offered for deposit and the request made for the privilege of drawing $500 to make a deposit on the property. The manager intimated that under the circumstances that accommodation would be arranged.

A short time after the stranger returned to the bank and in the absence of the manager took the matter up with the assistant manager and said that he wanted to draw $1,000. The assistant, knowing that arrangement had been made for an advance, assumed that there would be no reason for not advancing an additional $500 to that mentioned in the previous negotiations and so cashed the cheque. The stranger departed with the money and later it was found that the draft was a forgery.

The Manager's Dilemma

The scheme is one which would succeed in many cases where negotiations had been carried on, as in this case, with nothing to indicate that the stranger was other than he represented himself. The manager was in a position where he might have lost a $100,000 account by enforcing sound banking regulations strictly.

The case constitutes a warning to bank managers to at all times secure adequate assurance as to the identity of strangers and the genuineness of documents against which money is advanced. Such cases as have been outlined require a great deal of tact. I asked a bank supervisor what would be the wise course for a manager under such circumstances. His reply was that it would be possible to welcome the deposit and to meet a request for cash by stating in a casual way that it would be necessary to go through certain formalities—to confirm the matter at head office or something like that—and that the money would not be available until the following day. This would give an opportunity to wire and check up the draft, and it would be pretty safe to assume that no business man would object to this formality and a delay of one day if the transaction were bona fide.—J. W. T.

Alloway in Charge Under New Regime

From Our Own Correspondent.

WINNIPEG.—W. F. Alloway, who forty-five years ago opened in Winnipeg a private bank and who managed it so well that it is still going strong has returned from a trip round the world. The bank which has two offices in this city was transferred to the Canadian Bank of Commerce at a date which has never been clearly indicated to the general public, but the business is being carried on almost exactly as it was before the transfer, with nothing on the surface to indicate that the change had occurred. The business is still done under the supervision of Mr. Alloway, who hopes to continue for a number of years. A portion of his time will in future be given to the securing of money for the Winnipeg Foundation to which he personally made a gift of $100,000, the earnings of which are to be distributed annually to various humanitarian institutions of the city. Several prominent Winnipeg people have provided in their wills that large sums are to be paid into this fund and it is anticipated that in the course of years a large amount will accumulate as has been the case in other cities where similar Foundations have been established on similar lines.

Staff Gossip

F. G. Stanley, supervisor of Alberta and Saskatchewan branches of the Standard Bank of Canada, with headquarters in Calgary, has been promoted to a superintendency at the head office in Toronto.

F. D. Paterson, western inspector for the bank, succeeds Mr. Stanley as supervisor.—The Herald, Calgary.

• • •

J. McE. Murray, local manager of the Canadian Bank of Commerce has been transferred to Toronto, where he has been promoted to the position of secretary. His successor will be Reginald S. Williams, who has been manager at Wingham for some years.—The Messenger, Collingwood.

Atlantic Sugar Refineries Limited

REPORT OF THE DIRECTORS

To the Shareholders:

ATLANTIC SUGAR REFINERIES LIMITED

Your Directors submit the Eighth Annual Report of your Company for the fiscal year ended December 31st, 1923.

A Statement of Assets and Liabilities as at December 31st, 1923, together with the Profit and Loss Account for the period accompany the report.

PROFIT AND LOSS ACCOUNT

Profits from operations, after provision for Income Tax, amounted to $1,459,982.13. Out of these profits the following charges have been provided for:

Bond Interest	$53,910.00
Bank Interest, Exchange and other interest.	466,522.03
Reserve for Bad Debts	30,000.00
Reserve for Depreciation Plant	302,618.21

leaving a net balance for the year of $606,931.89.

STATEMENT OF ASSETS AND LIABILITIES

After retiring First Mortgage Bonds amounting to $100,000 on July 1st, 1923, in accordance with the provisions of the Trust Deed, and reducing the indebtedness to the Raw Sugar Creditors by a payment of $200,000 on December 31st, 1923, the profits for the year have improved the margin between Current Liabilities and Current Assets to the extent of over $800,000.

THE REFINERY PROPERTY

During the year expenditures for repairs and maintenance amounting to $85,347.43 have been charged directly to operations, following established practice. Betterments of $9,076.81 have been added to Plant Account. The plant has been maintained in a high state of efficiency.

INDEBTEDNESS TO RAW SUGAR CREDITORS

The deferred indebtedness to the Raw Sugar Creditors amounting to approximately $3,900,000.00 which fell due November 23rd last, has been extended for one year to November, 1924, upon payment on December 31st of the sum of $200,000 on account.

Throughout the year your Company continued to be a large participant in the export business.

Your Directors desire to record their deep sense of obligation to our past President, Mr. Wilfred A. Hobbins, who retired on December 31st, 1923, to become a member of one of the most important English sugar houses. We are fortunate in retaining Mr. Hobbins as a Director.

Your Directors also desire to take this opportunity of expressing their appreciation of the loyalty and devotion of the personnel of your Company's staff, without which the successful results herein reported could not have been attained.

Respectfully submitted on behalf of the Directors.

L. J. SEIDENSTICKER, President.

BALANCE SHEET AS AT 31st DECEMBER, 1923

ASSETS

Land, Buildings, Wharves, Plant and Equipment	$5,934,644.00	
Franchises, Leases and Goodwill..............	3,000,000.00	
		8,934,644.00
Cash in Bank and on Hand..................	65,496.33	
Accounts and Bills Receivable	187,411.16	
Investments	139,825.00	
Inventories	931,228.51	
		1,323,961.00
Expenditures made on account of future business............		31,428.69
Profit and Loss Account Deficit		4,487,846.99
		$14,777,880.68

BALANCE SHEET AS AT 31st DECEMBER, 1923

LIABILITIES

Capital Stock:—		
Authorized—		
30,000 7% Cum. Con. Pref. Shares of $100 each	$3,000,000.00	
35,000 Common Shares of $100 each.......	3,500,000.00	
Since authorization 13,889 shares of Preferred Stock have been converted to Common Stock.		
Issued—		
11,111 7% Cum. Con. Pref. Shares of $100 each	1,111,100.00	
48,889 Common Shares of $100 each.......	4,888,900.00	
		6,000,000.00
NOTE—Dividend paid on Preferred Shares to to 30th September, 1920.		
Bonds:—		
Authorized:—		
$2,000,000 First Mortgage 6% Bonds—Issued	1,570,000.00	
Less—Redeemed	575,000.00	
		995,000.00
Loans:—Secured by Inventories, by Hypothecation of $3,000,000 6% Second Mortgage Bonds due December, 1930, and other collateral.....		2,225,000.00
Accounts Payable and Accrued Charges.......		257,889.71
Accounts Payable (Deferred), with interest accrued thereon to 31st December, 1923........	3,925,199.77	
Less—Payment on account	200,000.00	
		3,725,199.77
Reserves:—		
Bad Debts	45,403.75	
Depreciation and Contingencies	1,529,387.45	
		1,574,791.20
		$14,777,880.68
NOTE—$146,500 (Par Value) First Mortgage 6% Bonds purchased by the Company still outstanding are included in Investments.		
Contingent Liability for Bills under Discount..	$253,564.00	

Approved on behalf of the Board,

L. J. SEIDENSTICKER,
D. LORNE McGIBBON,
Directors.

AUDITORS' REPORT

To the Shareholders of Atlantic Sugar Refineries, Limited,

We have examined the accounts of the Atlantic Sugar Refineries, Limited, for the year ended 31st December, 1923, and have obtained all the information and explanations required by us. The Inventories of Stock on hand as certified to by responsible Officials of the Company have been valued on a conservative basis, and the reserve for bad debts is, in our opinion, sufficient to cover probable losses. We hereby certify that the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information, and the explanations given to us and as shown by the books of the Company.

(Signed) MACINTOSH, COLE & ROBERTSON,
Chartered Accountants.

Montreal, 26th March, 1924.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1923

Deficit at 31st December, 1923			$5,060,314.32
Add—Amount applicable thereto			34,464.56
			$5,094,778.88
Profit for the year after providing for Income Tax, 1923, but before providing for the undernoted charges		$1,459,982.13	
Less—Bond Interest	$ 53,910.00		
Bank Interest, Exchange and other interest	466,522.03		
Reserve for bad debts......	30,000.00		
Depreciation on plant and franchises	302,618.21		
		853,050.24	
			606,931.89
			$4,487,846.99

THE FINANCIAL POST

Member Audit Bureau of Circulations.

President—JOHN BAYNE MACLEAN.
Vice-President—HORACE T. HUNTER.
Manager—GORDON RUTLEDGE.
Editor—J. W. TYSON.

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The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. Inspection.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, MAY 16, 1924

DOUBLING CATTLE RETURNS

WITH high interest rates, costly labor and big prices for feeds, the raising of live stock on the farm is becoming more and more a proposition requiring business methods. Apart from first costs in securing good foundation stock, it costs just about as much to feed and market scrub cattle as it does prime animals—and the latter will often bring double the price or more. Following is the result of a demonstration at one of the big experimental farms as reported by the press:

> Two two-year-old steers, fed alike for five and one-half months in the feed lot, were slaughtered and a comparison of the carcasses made. One dressed carcass weighed 715 pounds; this steer came from a herd headed by a pure bred Hereford sire. The other one weighed 470 pounds; it was a common steer without breeding.
>
> When marketed the better animal brought 19 cents a pound wholesale, while the scrub brought only 12 cents. The difference in price, together with the difference in weight, gave the Hereford steer a money value more than double that of the common steer. The dressing percentage of the Hereford was 61 per cent. and that of the scrub only 42 per cent.

Canada is going in more extensively for mixed farming. But simply buying a few cattle will not solve the problem of the wheat gambler. His stock venture will merely prove to be another gamble if he does not select animals of the proper type and provide for feeding and marketing them in a scientific way. It all comes down to a question of putting the farm on a business basis.

THE FUTURE OF A BUSINESS

THE Simmons Hardware Company was built up by its founder, E. C. Simmons, into one of the greatest hardware jobbing concerns in the United States. But the House of Simmons is no more. It was absorbed by the Winchester Company and a short time ago the last of the sons of the founder resigned to become a banker. An article elsewhere in this issue gives the history.

The Simmons Company was organized as a family affair rather than to develop capable executives and managers. The sons went into the business for a very different reason to that of their father. The man who goes into a business because he is attracted by it and has a love for it will make a much bigger success than the man who goes in because he has inherited it or for the mere sake of making money out of it.

A well-built business is one organized for the future as well as for the present. The president and the chief executives should not only be prepared for one change but for a series of changes. There should be constant advancement for those showing the desired ability, energy and application to those higher positions which are always open in a successful, growing concern.

CONSULT REAL LEADERS

IN DISCUSSING the lack of business leadership, as compared with political leadership in Canada, one of the country's outstanding industrial leaders, in writing to the editor of THE FINANCIAL POST, says:

> "In England for many years it has been the practice of public men, even the prime minister himself, to confer with men of any political leanings on matters of national consequence. This has resulted in successive prime ministers receiving the advice of the best business and technical men in Great Britain. It would be a great advantage if some similar system were introduced here, because, as you know, the tendency in Canada is to seek only advice from political advisers and not from those who are actively engaged in dealing with the commercial problems of the country."

Canada has had premiers who have sought the advice of the country's real leaders. Sir John MacDonald, generally regarded as Canada's greatest statesman, was one of these. Not only did he consult business leaders in regard to public appointments but he sought the advice of distinguished members of the bar in making his selections to fill vacancies on the Bench and it is said that in his whole career he appointed only one judge who could not be regarded as being of the very highest type. Sir Wilfrid Laurier followed the example of Sir John to a large extent but Mr. Borden, Mr. Meighen and Mr. King, men of the more intellectual type and idealistic temperament, have been inclined to pay more attention to politicians with their noisy followings than to men of real leadership and accomplishment, in law, in labor, in agriculture as well as in finance, trade and industry.

"WHAT IMPRESSION OF US DID THEY GET FROM YOU?"

Under this heading, the Pennsylvania Standard, a copy of which goes to each of the two hundred odd thousand employees of this railroad, contains the following:

> "The railroads in this country in one year carried 1,175,000,000 persons.
>
> "In this year there were just one billion, one hundred and seventy-five million impressions created by railroad men who handled these people.
>
> "If these impressions had been what they should the railroads would not now be the bone of contention in America."

If the officers and employees of Canadian railways, of the electric and other public service corporations, of the Canadian Manufacturers' Association, of the Canadian Bankers' Association had been what they should, business conditions, banking conditions, tariff conditions would not have been what they are in Canada to-day, where business is hampered and industry is taxed as it is in no other country in the world.

TO CREATE PROSPERITY ON FARMS

ONTARIO has a legislative committee studying the agricultural situation with the object of recommending policies that will improve conditions. Already facts have been brought out showing that farmers can double incomes without increasing costs or working any harder than they do now. It is merely a matter of applying business principles. If all farmers would run their farms with the same intelligence as do our successful business concerns, the farmers would be equally prosperous. A great many of them are.

The government made what would appear to be a wise choice in putting the member for South Grey, Dr. David Jamieson, at the head of the committee. He knows Canadian conditions from all important angles. He has proved by his own career that with reasonable intelligence, reasonable industry, any Canadian boy can get all the comfort and satisfaction he desires without crossing the border. The doctor is a farmer's son who has lived his life, practised his profession, developed industries, all of them successfully, in a rural community that is unblessed by nature with little but a rocky soil, yet is most prosperous. The main stream that traverses his constituency is known as the "Rocky" Saugeen. Under his inspiration and business guidance, associated with a former member of the legislature, Charles Bowman, and some local talent, there has grown up in his riding one of the largest furniture factories in Canada. That being well organized and prosperous, the doctor has turned his medical practice over to his son and is devoting his activities to public service and is making a hobby of reforestation and game propagation. He has acquired several hundred acres of cut-over land in which he is planting thousands of young trees, among which are bred partridge, English pheasants and waterfowl. All with the object of showing the farmers of the district another source of revenue.

The doctor believes, from association with them, that all the average Canadian farmer wants is to be shown how to make the best out of his farm. He is ambitious to beat the world in quality of his products and wants to be protected by laws from the few who breed scrubs, grow inferior grains, make low-grade cheese, sell rancid butter, cheat in the packing of fruit and other wooden nutmeg and non-British methods.

With such a chairman, with a good committee, and with a successful farmer as minister of agriculture to understand and carry out the recommendations of the committee, we ought to have some very profitable results from the inquiry.

IT WOULD seem to complicate the economic problem of bringing coal from Alberta to Ontario to find that Alberta coal has been losing out in the Manitoba market in competition with the imported product. And on account of the present strike, the Alberta fuel is losing still further ground.

• • •

IF MORE of the farmer leaders of the West will follow the example of Hon. T. A. Crerar in discussing agricultural problems before the Canadian Club of Hamilton, and more of the business leaders of the East will follow the example of Sir Joseph Flavelle in discussing practical economics before Western audiences, it would soon be realized that Canada's future should be worked out on a national rather than a sectional basis.

How Dead Hand of Lenin Guides Youth of America

Astounding Propaganda in Churches and Schools Revealed — New York the Connecting Link With Moscow — Firebrands in Many Schools.

By DONALD EWING, in The Chicago Tribune.

NEW YORK.—Here in New York is found the true source, method, and purpose of the pacifist campaign spreading through American churches and schools.

This city is the connecting link between Moscow communists and the rest of the United States. It is the hub of propaganda, some inspired, all used by orders from Moscow.

It is the clearing house for a campaign which, under the guise of Christianity, seeks to have America's churches pledge their youth not to fight, even in self-defense.

It is a clearing house for the Moscow inspired drive for governmental overthrow, spread in schools as education and in labor as justice.

What a Survey Reveals

Here an inspection of government-seized Russian documents, of reports of government agencies, of private investigations and bold statements of known communist agents, reveals the facts:

1. Hundreds of thousands of pamphlets boosting the bolshevik cause, sometimes openly, sometimes through insidious boring from within methods, are mailed weekly to pastors, students, teachers, children, and workers.

2. The cost is estimated at $1,000,000 a week. Mailing of one "no defense" pamphlet last week to pastors by only one of 500 organizations cost $50,000.

Work of the Unseen Hand

3. Organization of societies which started this propaganda was financed and directed by the Third Internationale. To-day, Moscow devotes its financial efforts chiefly to a small group of societies who, through interlocking directorates, guide the work of scores of self-supporting groups who do not realize their efforts are being guided.

4. These societies have as "angels" prominent wealthy Americans, particularly women publicity seekers, who contribute thousands of dollars, after being duped into believing they are boosting Christianity and education. At one dinner here last week $80,000 in cash and checks was dumped on the table for the use of a society which has among its directors known Third Internationale agents and sympathizers.

5. Direct orders from Moscow are being smuggled into New York. Several have been intercepted by government agents.

Triple Objective of Moscow

6. Moscow's campaign is centred in three cities—New York, the connecting link; Chicago, the chief object of present attack and directing point for a drive into the south which will deal particularly with bringing Negroes and Negro schools into the plans, and Washington, point of attack through legislation intended to extend communism.

For the present, attention centres on schools and churches. The Civil Liberties Union of New York is found to be important, for it has among its directors war-time ex-convicts and known agitators. It has a voice through interlocking directorates in 124 other church and school propaganda organizations, which in various ways advocate either communistic principles, no defense for America, or milder forms of agitation.

Shield for Its Devotees

It rushes to protect arrested agitators, pays little attention to the poor unless they are agitators, and criminal members are among university and church lecturers. It is an outgrowth of numerous anti-American wartime groups which tended to obstruct the war. It is careful in its work to remain within the law.

The Young Internationale, working under Soviet orders, is the real source of communist direction of drives into schools and churches. It directly sponsors the German Youth Movement, which advocates abolishing Christianity, property rights, the family, government, professes Soviet principles, and naked dances of men and women.

Documents in government hands quote Zinovieff, president of the Internationale, that "the Youth Movement is the best section of the communist internationale," that "we keep our aims (in schools and churches) submerged, putting them through as education and in the name of liberalism and free thought." In another document—to workers—he urges blowing up industry.

Firebrand in Many Schools

Openly sponsoring an "American Youth Movement," which recently cropped up, is the National Student Forum of New York, and its organ, the New Student. The paper claims to reach 250,000 students, 235 colleges, and has direct contact with radical clubs in dozens of institutions. It quotes the pacifist pledge given students to sign—pledges never to fight for their country.

Through the forum one learns that William Z. Foster, Red agent, and Charles Ruthenberg, convicted syndicalist, are among the speakers appearing in colleges and churches now—most recently at Dartmouth.

That Harvard has the most radical of "liberal" and "no defense" clubs, that Yale is strong, that Barnard, Wellesley, and Bryn Mawr, girls' schools, are doing their part in radical work, that Cornell recently has been brought into the fold, that Chicago, Northwestern, and Union Theological Seminary, and Columbia University here are stamping grounds of radicals spreading propaganda, much of it urging overthrow of our government.

Hopkins "Madly Radical"

Also, it states, that when a Dartmouth graduate protested to President Hopkins against a radical speaker, the latter replied: "If I could get Lenin and Trotzky here I would."

George D. Pratt, Jr., of the Standard Oil Pratts is president of the forum and associate editor of the paper. He declares himself a firm believer in Roger Baldwin, war-time convict backer of the Civil Liberties Union, for whom an appearance at the University of Pennsylvania now is being negotiated. The union and the forum are closely associated. Government reports term the union "a supporter of all subversive movements." It is backed by Foster, Ruthenberg, Baldwin and others whose methods need no description. The forum claims freedom from their methods.

N. U. Student is Prominent

Last summer seven American students—four men, one a Negro, and three girls—sailed for Germany to take part in the German Youth Movement. They were Miss Arvia Mackaye, Radcliffe girl; Helen Stedman, University of Oregon and University of Wisconsin; Lenore Pelham, Rockford College; Eugene Corbie, Negro, New York student; Howard Becker, Northwestern University; Douglas Haskell, Oberlin University, and Earl Belham, Friends University.

Abroad they were joined by Ruth Boardman, Barnard college, and Joseph Chassel, Union Theological seminary. Six imported youth movers now are lecturing in the United States.

This is one of the chief movements. Then comes the Young Comrades work of organization of anti-American clubs in New York and Chicago schools.

Gotham Teachers Affected

The New York Teachers' Union whose 1,100 members are headed by Henry Linville, of the Civil Liberties union and numerous other propaganda spreading societies, is denounced by other teachers' groups.

In a New York theological college seniors recently advocated the German Youth Movement in their graduating addresses, explaining later that agents in the college converted them to it.

These are just a few of the high spots on how the pacifist propaganda is being spread in colleges. How it gets into churches, just where Moscow's hand appears, just where the organizations are unaware of its appearance, and how it is planned to subvert the south, and who pays for it, will be told in other articles.

Service and Efficiency More Important Than Hereditary Right

The Simmons Hardware Company, as built up by its founder, E. C. Simmons, became one of the greatest hardware jobbing concerns in the United States. Then, under the management of the founder's sons, it was absorbed in the Winchester, Simmons Company, and just recently the last of the sons retired to accept the vice-presidency of a New York bank. What's the lesson? asks Hardware Age, and in reply argues that in the present era business institutions live and prosper because of efficiency in public service and not through hereditary succession and control—a business man's son may be no more able to carry on his work than the son of Caruso to duplicate his father's singing.

Nothing is changeless but change. A striking event is more dramatic when it is written about in a simple way.

All of the hardware trade—manufacturers, jobbers and even little retail merchants in out-of-the-way villages and hamlets in every part of this country—will read with profound interest that the last member of the Simmons family has passed from active connection with the hardware business. It is an unusually dramatic event in the hardware trade.

E. C. Simmons, the founder of this great business, was a poor boy. He went to work at an early age. He had no background of wealth or influence. Slowly, by reason of intelligence, energy and close application, he worked his way up in the business. He was a stock clerk. He became a salesman. He carried the keys of the house, as he was the first to arrive in the morning. By reason of his service he became a partner.

At that time Waters, Simmons & Co. were a small concern doing business in a thinly settled, crude, but rapidly growing country. As their territory developed, this small house kept pace. They moved into larger buildings. They increased their stocks and the number of their salesmen and covered a wider territory. They were the first mercantile partnership to incorporate.

In his methods, E. C. Simmons was human, simple and direct. He believed in the Golden Rule and practised it in his business. He had three great interests in life—his religion, his family and his business. Every Sunday he assembled his family and read the Ten Commandments. Night and day he thought of his business and the men who worked with him in its development. In his later years his one thought was for his sons. Realizing that human life was short, it was the great desire of his heart to perpetuate his business through his three boys.

E. C. Simmons had all the qualities of a great leader. His men believed in him absolutely. They believed in his integrity, in his fairness, in his sense of justice, and they also believed in his ability as a business man. They constantly drew into his organization good hardware men from all parts of the country. He welded them into his business. These men were loyal, practical and hard workers. Under his direction they built up the greatest hardware business in the world. Mr. Simmons made a fortune for himself and he put many other men in the line of making their own fortunes.

E. C. Simmons stood out as a great teacher. He believed in teaching patiently with line upon line and precept upon precept. He inculcated into his organization the principles of integrity, truthfulness, industry and economy. The Simmons Hardware Company enjoyed great material success, but entirely beyond that, under the leadership of Mr. Simmons, this house stood for more than material gain. They kept their obligations. They paid every bill one hundred cents on the dollar. They believed in the policy of live and let live. No weak manufacturer was ever crushed in their grasp. No customer meeting with temporary adversity ever failed to receive a helping hand. No employee in the house or on the road who did his part ever failed to receive just compensation for his efforts.

At the pinnacle of the success of this house there was an organization of men in the various parts of the business that has probably never been excelled in the business history of this country.

These men, like the founder of the business, came into the business poor. Not a single man ever brought any capital into the business of the Simmons Hardware Company. All these men brought was ability and a willingness to work hard. The capital came from the profits earned in the business. These men found their joy in their work. They joyfully worked together for the business.

When the sons entered the business, there was a new era. It is a more difficult thing to hold together a large and successful business than it is to build it up. The reasons are simple and fundamental. A business has its youth and also its old age. In the youth of this business the workers were young and poor. They lived simply. Their attention was not diverted by the outside interests that come with an accumulation of years and wealth. They were satisfied with moderate salaries. They looked for their greater compensation, not from fixed salaries, but from the earnings on the stock they had acquired in the business. Therefore, all of the leading men were directly interested in everything that led to an increase in profits for the whole business.

However, under the sons of Mr. Simmons much of the stock, by reason of deaths and changes, was held outside of the business. The leading men were drawing large salaries. Salesmen and other employees could not be interested by stock issues as in the old days when the business was growing so rapidly and when profits were large.

The country had developed. The local jobbers in all parts of the territory had larger capital. They were carrying more complete stocks. They were also learning lessons in salesmanship. The three sons of Mr. Simmons had a very heavy burden to carry. Expenses were high and competition was very keen. The business had grown old.

What of these sons The oldest son, Wallace D. Simmons, was in some respects even the superior of his father. However, as was only natural on account of the difference in his education, he lacked that human touch and that understanding of the hopes and aspirations of the common, average man who makes up the great mass of the hardware and every other business. He worked early and late for the good of the business that he had inherited. He was straightforward and honest and in a situation for which he was not fitted by temperament he did his level best. Finally, at a critical period, his health failed, and in a large measure he was compelled to lay down the burden and direction of this tremendous organization.

The second son, Edward H. Simmons, was an exceedingly hard worker. He devoted his entire time and attention to the business. He gave all of his life withtout reservation to the increasing complications and details of this great business.

George W. Simmons, who has just retired to accept the vice-presidency of a New York bank, was the best "mixer" of the three sons. He has traveled all over the United States and has a wide acquaintance in the hardware trade. He is very popular and has a host of friends. His future career in financial circles will be watched with keen interest by all who know him and he will have the best wishes of all of his friends for his success in his new field of endeavor.

Now let us sum up. The house of the Simmons Hardware Company has written history largely on the records of the hardware trade. Thousands of men, both as their employees and as their customers, have been influenced by this business. What has this influence been? Has it been good or has it been evil? There is no question whatever that the Simmons Hardware Company from the beginning to the ending stood for what was best in individual character and in the ethics of business.

One man who was closely associated with E. C. Simmons for many years has written that in all these years he never knew him to do a mean thing.

However,, in a broader sense, what lesson must we learn from the history of this business? It has been well said that every business is but the lengthened shadow of one man. In the beginning almost every business is a one-man business, but when these businesses, by reason of the ability and the genius of this one man grow to national proportions, what of the future? How can the business be perpetuated? Study what has happened to hundreds of great businesses in this country when the old feudal idea of Divine Right and the hereditary succession has prevailed in the business. We all know.

There is a new era in business today in regard to the hereditary control of business, just as this new era has taken place in the hereditary control of kingdoms. There is no more reason to believe that a son can fill the place of his father as a business genius than that the son of Caruso can succeed Caruso as a vocal wonder.

The lesson to be learned is that great businesses must be perpetuated as institutions. Business genius must be found somewhere to continue these businesses, and the whole question must be not of family—not of wealth—but the simple, natural succession by reason of the business ability to handle the job.

Then there is another angle to this problem. Is it fair to the son or to the sons to place such a burden on their shoulders? Possibly these sons by their temperaments or by reason of their education have other desires and aspirations. Is it fair to force them to take up tasks that are distasteful? Why should they be forced to associate possibly with a class of people with those problems, struggles, privations and aspirations they have nothing in common?

The lesson of the rise and the passing of the Simmons family in the hardware business is no reflection whatever upon the sons of E. C. Simmons. They became enmeshed in a system in business that is fundamentally wrong. They were the greatest sufferers by reason of this system.

E. C. Simmons was a business man who stands out in a striking manner as a model for all business men in all lines to follow. His great mistake was in not understanding the fundamental principle that a business is perpetuated not by money—not by family—but by the combined genius of the people conducting the business to do it as it should be done.

Again, what's the lesson? Just as Thomas Jefferson, with his far-seeing wisdom, realized that the entailing of estates through the eldest son was not for the common good, so to-day it is not wise nor it is fair to the many who take part in building up a great business for that business to be entailed through a hereditary family control. Nor as we see in this Simmons instance, as in many others, is it to the interest of the business itself, nor is it good for the heirs of that business.

American business is in a constant state of flux. The entailment of a business under family control is contrary to the theory and practice of the best American traditions.

PERSONAL

A. A. TAILLON, who died recently in Ottawa, was a former banker, and for some years was associated with the Merchants Bank, being manager at Sorel, Que. While in that centre, he was mayor and also head of the Board of Trade. He moved back to Ottawa, his old home, and became manager of Banque Nationale, retiring from that post in 1911 to launch a bond and brokerage house of his own. He promoted Federal Colonization and Land Reclaiming Co. in 1906, and Cobalt Mining and Lumber Co. 1907. He was the author of several books, including "The Monetary Question and Kindred Topics," a paper read before Canadian Bankers Association, 1896.

DUNCAN C. GRANT, who has been made vice-president in charge of financial affairs of the Canadian National Railways by Sir Henry Thornton, has been chief inspector of the Bank of Toronto. Mr. Grant, who was born in Toronto in 1880, entered the service of the Bank of Toronto as a junior clerk in 1897. For some time he was attached to the branch of the bank at Brockville, Ont. In 1903 he was transferred to Montreal, where he remained until 1913, at which time he was assistant manager of the Montreal office. In 1913 he was transferred to Toronto as assistant manager of the Toronto office. This position he held until 1915, when he was appointed Inspector. A few months later he was appointed chief inspector.

T. G. McCONKEY, who has been appointed general manager of the Canada Life Assurance Company, is well-known in financial as well as insurance circles, being a director of the Western Assurance Company, the British America Assurance Company, and the Provident Loan and Savings Company. He is also a member of the executive of the Life Officers' Association, and was one of the original founders of the Life Underwriters' Association. Starting in the insurance business as a field man with a New York company he rose to the position of Ontario manager. As superintendent of agencies for a large company for 16 years he traveled all over the Dominion and parts of the United States and established a wide personal connection in the field. He has been a big factor in the growth of the Canada Life for many years.

W. STUART MOIR, a member of the staff of the forestry division of the Laurentide Company, has announced his resignation, to take effect within a month or six weeks. Mr. Moir is leaving Grand'Mere for Florida where he will be associated with the Pasadena Development Company as a tree expert to estimate and purchase timber lands for the company. Mr. Moir is taking another step in what already promises to be a noteworthy career in the forestry profession. Mr. Moir was graduated from the Massachusetts Agricultural School in 1913 and later attended the Yale School of Forestry. He has been with the Laurentide Company for three years and has made a real place for himself in the organization, and in the forestry profession in Canada. He is a director of the Quebec Association of Forest Engineers, and a member of the examining board of that organization. Already an enthusiast on the subject of the possibilities of the forests of the southern United States, Mr. Moir expects that within a very few years the south will be an important factor in all lumber markets and probably in the newsprint market as well.

May Investments

To those with funds now available or funds which will be shortly available, our new Investment List, which is now ready for distribution, will be found of interest.

This list contains a wide selection of securities of Canada's Provinces, cities, towns and industrial corporations, together with an attractive list of odd amounts and short-term bonds. The yields range from 5% to 7.20%.

Canadian dividend and interest payments during May will approximate $45,000,000. As a large portion of these funds, together with other available funds, will be seeking investment, we suggest that selections be made as early as possible.

Copies of May Investment List on Request.

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INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

LA PAZ OIL

Reader, Calgary.—A client in England holds La Paz Oil shares for which he paid £2,500. Is there any prospect of a dividend?

Shares of La Paz oil are being traded in unlisted security circles in Toronto around 15 cents. Thus you will see that the general opinion of the venture was optimistic. The proposition, always quite speculative, does not seem to be making much progress.

INTERNATIONAL NICKEL

Reader, Montreal.—I hold a block of International Nickel, purchased at 22. Is there a chance it will advance? Will there be dividends on the common and would you advise holding?

International Nickel is producing nickel on a pre-war basis, but the return to the company is much less, inasmuch as the price being obtained for its products is much lower. The future of the company depends on the development of peace-time uses for nickel and an improvement in the copper market. This is coming steadily but will take a long time. On this depends the chances of common stock dividends which seem some distance removed, yet many regard the stock as a good purchase at present prices.

DURANT MOTORS

Reader, Vancouver.—I want some information on the position of Durant Motors of Canada. A year ago I purchased some shares and now I am told they are worth only $8. I paid $15. Can you tell me what A. B. & C. stocks mean. I fail to see why with very large sales and increased manufacturing facilities the shares should decline in value. I was considering taking up more of this stock as a provision for my old age but have been advised to buy Rickenbacker of Detroit.

Shares of Durant Motors are selling in unlisted circles in Toronto at the following prices:

Class A—4 to 5.
Class B—5 to 6.
Class C—6 to 7.

Class A, sold originally at $10, is exchangeable after August 1 next, for a basis of 3 shares for one of Durant of Delaware. Class B, sold at $12, is exchangeable 2½ for 1. Class C, sold at $15, is exchangeable two for one.

Thus the price of the Canadian stock is now regulated by the price of the Delaware Co. on account of the exchange feature. The market of the former has been quite weak and the Canadian prices have dropped proportionately.

You would be very ill-advised to take up Durant stock in anticipation that it would provide for you in your old age. It is a very speculative issue at best. Competition in the motor industry is becoming keener and keener and close prices and narrow margins of profits will prevail. Chances of dividends, we understand, are remote.

THE GERMAN MARK

W. W., Toronto.—I would take it as a favor if you would give me your opinion on the following question: Do you think that in the event of the Dawes Committee Report being agreed to by Germany and other powers interested, also if Germany is given a loan, that her currency will be stabilized (paper marks), or whether the paper mark will ever be of any value, however small?

The chances for getting anything worth while for old German marks are slim indeed. The value of these old marks has declined almost to the vanishing point. It has been stabilized for the present on a basis of one trillion old marks for one rentenmark. The rentenmark has a value in dollar currency of 25 cents. If the Dawes report is adopted and economic stability restored in Germany, it may be possible to put the rentenmark on a gold basis and maintain its value at 25 cents in dollar currency. Otherwise it is possible that the rentenmark will follow in the course of the old mark. It would appear, therefore, that at best the value of the old German mark will be four billion to 25 cents.

MARITIME LIFE

B.F., Nova Scotia.—Will be obliged for any information you can give me regarding the Maritime Life Insurance Company as an investment.

The Maritime Life Insurance Company is starting off with the backing of a number of the leading business men of Nova Scotia, and probably later on of the adjoining provinces. It is operating in a compact field where there is a great deal of present and potential business, and given the essential of sound management and economical direction of its affairs it should meet with a certain amount of success.

New life insurance companies usually take a number of years to get into their O.K., and to return dividends to shareholders, but in Canada it has been the experience that properly managed life insurance companies after they have passed their first few years of initial difficulties, are able to pay very gratifying dividends to shareholders. But the speculative element is, nevertheless, present, and in approaching the subject of purchasing stock in the Maritime Life Insurance Company you must keep the factor in mind.

FOUNDATION COMPANY

Broker, N.S.—Would like your opinion of the Foundation Company, preferred stock which has been offered in Canada.

The Foundation Co. of New York experienced a successful year in 1923 and reported net income of $493,298 after expenses, equivalent, after preferred dividends, to $10.58 a share on the outstanding 40,000 shares of no par common. This compares with net income in 1922 of $231,822, or $4.63 on the common. The company's balance sheet position as of Dec. 31, 1923, was good and orders up to the middle of February were a third of the company's total business for 1923 of $23,000.

The new issue of 7% preferred stock is somewhat speculative, but has attractive investment possibilities because of the prosperity the company is enjoying through the building boom that is now evident. The company has offered this stock to obtain adequate working capital to handle the demand for new construction work. President Doty said that the preliminary contract made with Tokyo in February for the construction of one of the three or four subway systems for $15,000,000 would stand, and that the company would build another subway system for $20,000,000.

FRENCH BONDS

Inquirer, Galt.—I would be greatly obliged if you would let me know if French bonds as described in the enclosed circular of C. M. Cordasco & Company, are worth buying, if they are an investment or simply a speculation.

It is quite possible that people who buy French Government Internal Bonds at the present time will make a fair profit on their holdings. A lot depends upon the quickness with which Europe is cleaned up financially and economically. To date the record of investment purchases of European bonds is a record of loss, and very few people have made any money. It is entirely a speculative proposition as to whether the purchaser to-day of French Government bonds would make any money on his holdings within a reasonable period of time.

We have rather consistently advised against purchase of bonds from the firm of C. M. Cordasco & Company, of Montreal. They have been rather blatant in their claims concerning the merits of the issues they have sold, and they have been selling German, Austrian and other European bonds to investors in the falling market of the past few years. On the whole, we have found the prices they quote to be unjustifiably high. In checking up the price of any European bond offered to you you should remember not only that the franc or the mark or the krone or whatever may be the currency at the moment is selling at a low rate and that the bond itself is probably selling well below par in its home country. The prices at which these bonds are usually offered in Canada do not allow for both these factors and thus they provide an unreasonable profit to the seller.

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CURRENT OPINION

FREE SPEECH DANGEROUS

(The Gazette, Montreal)

The theory that "free speech" is a desirable thing as a sort of safety valve is sound enough—within limits. It is a theory which has been practised in Great Britain for a very long time, and the public in Britain are now paying the price of a privilege—or, if you like, a right—flagrantly and persistently abused. The United Kingdom is to-day seriously menaced by communism which threatens its industrial life and does not stop with that. That kind of thing is not wanted in Canada, and if police restrictions upon the use of red revolutionary emblems are likely to "prevent other people from coming to this country," so much the better; people of the sort indicated are better kept out. And it may always be recalled that the assassin objects to capital punishment.

TEACHER TURNS BRICKLAYER AND K. K. K.

(Forbes Magazine)

While in Boston recently I visited a workingman's boarding house. Among other things, I learned this: One of the boarders had been a school teacher by profession. But when wages in the building industry were forced up by the workers to abnormal heights, this teacher became a bricklayer. He is now earning far more than he earned as an educator of Young America. But he bitterly feels that a social and economic system which rewards bricklayers far better than teachers is totally wrong, absolutely indefensible. Consequently, he has turned to the Ku Klux Klan as the one readiest weapon to fight against the existing order.

When bricklayers or any other one group of workers successfully scheme to exact from the public more than normal pay, the unfortunate results are far-reaching.

SASKATCHEWAN'S BUDGET

Calgary Albertan

The province of Saskatchewan has balanced its budget. It has greatly reduced its expenditure and also reduced its taxation and got down to the point where the income meets the expenditure, which is a very satisfactory condition of affairs. The finances of the province are under the very able management of Premier Dunning, who has the portfolio of the provincial treasurer.

Saskatchewan has some advantages in the matter of finance over Alberta. It has no big hinterland with expensive railway development, as Alberta has. It was quite as lavish in guaranteeing railway building as Alberta, but with the taking over by the federal government of the railways which went to make up the Canadian National, the guarantee troubles of the sister province were at an end. With Alberta, in the meantime, the troubles continue in somewhat aggravated form.

The province of Saskatchewan also has a larger population, as it has been settled sooner than the more western province. It has been well administered, and for the time being its financial troubles are not as serious as that of Alberta. However, it will not be long before Alberta will be as densely settled as Saskatchewan, and some day the northern country, which is now a liability for this province, will become an asset.

TRADE REPRESENTATIVES

(Quebec Chronicle)

Few things are more necessary if we are to hold our own in the export business than well trained commercial agents and trade commissioners abroad. Canada has already a staff of such agents, but there cannot be the slightest doubt that the staff should be increased. In the early days of the present Parliamentary session a pointed reference was made to the system by Mr. Logan, the member for Cumberland. He had recently completed a trip to the West Indies, and his remarks were anything but complimentary. In the Bahama Islands, he said, there was a large population looking to trade with Canada. but there was no commercial agent of any kind at that point; neither was there an agent at Porto Rico, Hayti, San Domingo or San Salvador. In the vast expanse of territory comprising Central America there was not a single representative and the only one anywhere in the vicinity was in Jamaica.

It will be seen at once from the foregoing description that we need to increase the number of our representatives abroad and increase their facilities for obtaining business. Every business man knows that the potential customer will never be changed into an actual customer unless he is impressed with the stability of the firm with which he proposes doing business. In other words the exterior evidence of stability must be apparent or the customer will not be convinced of inherent stability. The same reasoning applies to nations just as much as it does to individual enterprises. If the representative of a nation is housed in a dimly lit loft then potential customers of that nation will draw their own conclusion from the outward and visible sign. The conclusion will not be very flattering to the country concerned.

BUTTER REGULATIONS URGENTLY NEEDED

(Canadian Grocer)

It is now officially admitted that the unsatisfactory condition of our export butter trade is due to the inferior quality of Canadian butter, especially that of Eastern Canada. Further, that such inferiority arises from the use of over-ripe or over-fermented cream in making creamery butter.

The rehabilitation of this over-ripe or over-fermented cream with lime was characterized by the Minister of Agriculture last May as a "big evil." As far as we have been able to determine, this "big evil" still exists and will continue to exist in spite of the proposed grading regulations for cream.

As long as there is a market for over-ripe or over-fermented cream, it will be sold at a price and manufactured into creamery butter. This fact has been amply demonstrated in regard to other products where payment has been made on a basis of quality, and there is no apparent reason why cream should be an exception to the rule.

Those who are vitally interested in this important industry are anxiously looking for leadership and the enunciation of a national policy which will place the Canadian dairymen in a position to successfully meet foreign competition. W. A. Wilson says: "The situation is urgent. The progress that, under ordinary conditions, would be acceptable, is not acceptable now and delay is at our peril."

It is apparent, therefore, that a courageous policy for the handling of over-ripe and over-fermented cream is imperative, and we believe that nothing short of the regulations obtaining in New Zealand and Australia will be effective in elevating the standard of Canadian butter to that of those countries. Adequate regulations are long overdue and this matter should be decisively dealt with at the present session of parliament.

CANADA'S BURDEN OF TAXES

(Calgary Herald)

Canada is being swept from coast to coast by demands for curtailment of public expenditure. This demand is being expressed in rural municipalities, in cities, in relation to provincal outlays and to federal spendng. Where expensive public services are proposed, ratepayers are scrutinizing them with critical attention. Large money by-laws are being turned down by city electors. The reeves of many Ontario townships have lately been handed resolutions passed by members of the U.F.O. and other ratepayers which declare that in view of the hardship caused by over-taxation, the chief cause of which has been a high rate of expenditure, they place themselves on record as opposed to heavy taxation and expenditure at this time when rigid economy should be practised.

Every provincial legislature which meets this winter should fall in step with a tax reduction programme. Every rural district, every municipality, every school board—everybody anywhere in Canada who has anything to do with valuations, assessments or spending of public money—should determine upon a policy which will cause reduction of outlay and reduction of taxes. Begin at the top and also at the bottom. Taxes should come down all along the line—Dominion, provincial and local. There is no danger that taxes will be too low. Not a bit. They will always be high enough, and too high. Reduce taxes. Support tne man and the organization that show results in the way of economy. Let any governing body that fails to reduce expenditure know that you regard it as incapable of meeting the principal need of the time, and that it should make way for a government that has the force, the determination and the ability to avoid extravagance and to cut outlay. If all Canadians work together along this line at the present time—and keep at it—something will be accomplished.

Governments are sensitive creations. They will pay heed to a general insistence upon economy if pressure is firm and sustained. All our governments have been spending too freely, but they have been doing it because people have been allowing them to do it. The people themselves have been in an extravagant, careless mood, and apathetic toward what governments have been doing. Moreover, they have been looking too much to governments—municipal and provincial, especially—to supply them with all sorts of new services. These all cost money. Small sums in some instances, but, small and large, they total to the millions that make for huge interest charges and to that immense sum lumped under the general term, "uncontrollable expenditure." Expenditure does not become uncontrollable until it has been undertaken, and the people are to blame, with the governments, for allowing much of it to be undertaken.

OTTAWA MUST BE FIRM

(Port Hope Guide)

If the Home Bank is to be considerately treated, then every bank that has been in difficulty for years past is entitled to the same treatment and the future is still to be considered.

There are a lot of men and businesses which have met disaster during and since the war. Will the government help all the "lame ducks?"

At the C. P. R. Annual

An honest Scotch premier from one of the Western provinces came east one day to talk to a Canadian Club meeting. During his address he started off a weighty sentence in this manner:

"The government of Canada—the C. P. R........."

What he intended to say doesn't matter, for his sentence was lost in the laughter that greeted his lapsus linguae.

But while the C. P. R. is not the government of Canada—Toronto's daily papers to the contrary—it is the most important business institution in Canada. Almost as important as a certain Englishman thought it to be. He came to Canada on a C. P. R. boat, stopped at a C. P. R. hotel and then booked his passage on a C. P. R. train across Canada. They showed him C. P. R. farms; a C. P. R. irrigation dam; the C. P. R. rockies and the C. P. R. wharves at Vancouver.

He stopped an attendant in the station in Vancouver to ask him the time.

"It's nineteen o'clock, C. P. R. time," answered the man.

This was the last straw. The Englishman gasped and asked "My heavens, man. does the C. P. R. own even the time?"

Because of the importance of the C. P. R. to Canada the annual meeting of the Canadian Pacific Railway is yearly the most significant annual half-hour meeting in the country.

Aged folk who have put their hard earned savings in C. P. R. stock come down once a year to Windsor Station. Montreal, to vote for a cut-and-dried procedure in which they have a lot of justifiable faith. Business men whose moments are worth dollars find time to come, and hear President Beatty deliver an address that is vastly important, but that they could read in half the time in their paper next day. They come because they feel the romance of it.

This is a Young Country

Sitting at a C. P. R. annual meeting one realizes that Canada is a young country. The real development of Canada dates from the construction of the C. P. R. All of Canada's long road of business and economic growth has run alongside the road the C. P. R. itself has travelled. Yet the directorate that turns out to sit in at an annual gathering includes many men who are C. P. R. pioneers. Shaughnessy, Mountstephen, Angus, Van Horne are gone. But there is Sir Herbert Holt, hard-fisted as a boy, hard-headed as a man, who helped to build the C. P. R. and still helps to run it. There is Charles R. Hosmer, who built its telegraph system and whose radiant geniality suggests nothing of the stern discipline he enforced when he was running the telegraph system. There is I. G. Ogden, who put the first C. P. R. nickels in the cash box when he was the company's only accountant, and who still looks after the company's millions as vice-president in charge of finance.

No, the Old Guard is not all a thing of the past.

The second generation is well represented. General Frank S. Meighen sits opposite the full length portrait of his uncle, Mountstephen. Commander J. K. L. Ross, who has much of his father's physique and driving force and who applies it along lines as self-expressive as ever did his father, is the present day representative of James Ross. With the bust of the late Lord Shaughnessy looking down upon him, the second Lord Shaughnessy is there. He rises to tell the shareholders how much the family appreciates the sentiments expressed about his father. His voice breaks........He sits down.

Business Leaders of To-day

There are business leaders of to-day. F. W. Molson, carrying a name long known to business and financial Canada. W. N. Tilley, scribbling spirals and crosses on a pad, but probably thinking about his next big legal job. Sir Augustus Nanton and his partner Sir Edmund Osler are the only directors not there and they each had far to come.

Sir Vincent Meredith recalls that the Bank of Montreal and the C. P. R. are pretty nearly one. Senator F. L. Beique, as sharp and canny a representative of Canada's oldest race of Europeans as could be found, represents French-Canada.

With such a group running it, one must have a lot of faith in the C.P.R.

At the start it was said that the C. P. R. meetings demonstrated that Canada is a young country. They demonstrate another thing: that it is a young man's country. One of the youngest really successful business men in Canada sits in the president's chair. No, that will have to be changed now. He is chairman of the board. That may be just a distinction in titles, but it is a distinction of some importance. It shows that Beatty is not only a good skipper for the good ship C. P. R., but that the boat does not need any figureheads to set off the cut of the jib.

This Book Will Help You Invest Intelligently

The new third edition of the Greenshields Catalogue analyses what we consider the most desirable investments of different types available now in the Canadian market—over fifty of them.

It gives all the information as to each security that a buyer will require, with data as to capitalization, financial standing, and earnings over a period of years, etc., carefully compiled from authoritative sources.

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Twp. of Scarborough	5½%	1924-42	5.15%
City of Toronto	5%	1932	5.25%
Town of Walkerville	5½%	1927–42	5.30%
Edmonton School Dist. ..	5½%	1963	5.65%

We offer the above, subject to prior sale and change in price

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Do you know the value of your investments?

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Government, Municipal & Corporation Bonds

Correspondence solicited

PARIS BLDG. WINNIPEG

PROGRESS REPORTED IN ALGOMA DEAL

Bond Interest of Steel Company Met on May 1, When Due

From Our Own Correspondent.

MONTREAL.—Algoma Steel Corporation bond interest was met on May 1 as usual, thus setting at nought most of the Street prophecies. It is believed that the interest was paid out of earnings although some previous payments had cut into working capital.

Steady progress is being made, it is reported, in the negotiations for sale of the Algoma Steel and other properties of the Lake Superior Corporation to Samuel T. Insull, of Chicago, Halsey Stuart and Company and associated interests. If the Chicago group takes over the property a great deal of new capital will be invested.

Preparation of Case in Bond Charges Proceeds

The further developments this week arising out of the evidence given before the public accounts committee of the Ontario Legislature some time ago have given the impression in financial circles that the allegations will be probed to the bottom. Aemilius Jarvis, Sr., Aemilius Jarvis, Jr., Harry Pepall, of Toronto, whose names were coupled with that of Hon. Peter Smith recently in the charge of conspiracy to defraud the province, were taken into custody and later released on bail.

Andrew Pepall, brother of the manager of the Jarvis firm, has also been arrested at his home in California on a nominal charge of illegal entry into the United States.

RAILWAY IS SEEKING PROVINCIAL SUBSIDY

Ask Province of Manitoba to Help Meet Deficits on Water District Project

WINNIPEG.—A deputation consisting of Mayor S. J. Farmer, Aldermen Sullivan and Pulford, W. M. Scott and H. C. Thompson approached the Manitoba Government last week with a view to securing a subsidy for the Winnipeg Water District Railway.

This road was constructed to render it possible to build the aqueduct to the Lake of the Woods, ninety-two miles south east of the city. It was anticipated that the rails would be taken up when the road had served the purpose for which it was intended. Operation of trains was, however, continued year after year, quarries were opened, a prison farm was located on the line, settlers located on the land adjacent to the line and it is now found difficult to discontinue the service. The operation of the line is also of some value to the water district. The returns are, however, insufficient to pay the operating expenses including replacement of equipment and it is now asked that the government view the road in the light of a colonization project and grant a subsidy. The matter is before the provincial government for decision.

NEWS AND VIEWS ABOUT BONDS

MARKETS COMPETE FOR $2,500,000 OF MANITOBA'S BONDS

Expect Other Provincial and Corporation Issues in Market Soon

The announcement of Hon. F. M. Black, provincial treasurer of Manitoba, on his return to Winnipeg after a trip to New York, Chicago, Toronto and Montreal that the province is about to sell an issue of $2,500,000 of bonds, has centred interest in provincial issues. Mr. Black stated that he had a number of bids for the bonds and it is understood that he is considering whether to dispose of them in Canada or the United States. Canadian bonds have been selling at lower levels than United States issues but the drop in exchange tends to eliminate the difference. The proceeds of the Manitoba issue will be used for refunding purposes. It is rumored that the Province of Quebec may be in the market for money shortly and it is known that Ontario will need additional funds during the present year. Speculation as to how soon this financing may be brought on has failed to bring out any definite information. Each week witnesses the disposal of several municipal issues with steady bidding on each.

The opinion prevails in financial circles that a continuation of the present recession in business will strengthen the bond market. All issues are readily taken by dealers here. In spite of the large amount of bonds sold in the United States during April, houses are seeking new issues to meet a strengthening demand. Reports from New York indicate some Canadian buying in that market.

Trading in bonds has been contracted for some time and prices on some issues have sagged fractionally. Sales of corporation bonds have been lower this year than in 1923 but several issues are now being prepared for public offering.

Buy Vancouver Issue

A syndicate of five Vancouver houses was awarded two issues of Vancouver bonds made up of $120,000, 5 per cent. 4-year, and $200,000, 5 per cent. 15-year debentures on a bid of 94.40, Canadian funds. The proceeds of the former will be used for bridge purposes and the latter for streets. Alternative tenders were called in Canadian or American funds. The bids were:

Burdick, Logan & Co.;		
Gillespie, Hart & Todd;		
Waghorn, Gwynne & Co.		
Can. Financiers Trust Corp.;		
W. W. Odlum & Co.	94.40	
Royal Financial Corp.;		
Bell, Gouinlock & Co.	94.08	
A. E. Ames & Co.	93.92	94.08
Wood, Gundy & Co.	93.90	94.31
Dom. Securities Corp.	93.73	93.88
Nesbitt, Thomson & Co. ..	93.60	94.04
Harris, Forbes & Co.		93.18
Macneill, Graham & Co. ..	91.57	
Clark, Trimble		87.70

Saskatoon Sells Bonds

Five bids were received by the city of Saskatoon for $244,200 of bonds this week and the issues were awarded to Wood, Gundy & Company at 97.71, a cost basis to the city of 5.94 per cent. They consisted of 5½ per cent. bonds for 30 years and 6 per cent. bonds for five, ten and fifteen years.

Award Two Issues

An issue of $160,000 5½ per cent. bonds was awarded by the town of Sorel, Que., to Credit Canadien on a bid of 99.48. The issue consists of $49,000 18-year serial bonds and $111,000 20-year bonds. The tenders were:

Credit Canadien	99.48
Credit Anglo-Francais	99.38
Beausoleil & Co.	99.35
Versailles, Vidricaire, Boulais & Co.	99.29
Hanson Bros.	99.28
Bray, Dube & Caron	99.18
Wood, Gundy & Co.	98.98
McLeod, Young, Weir & Co.	98.76
Rene T. Leclerc	98.75
Municipal Debentures Corp.	98.27

Secure Weston Bonds

The town of Weston awarded $112,476.89 bonds to Matthews & Company, Ltd., on a bid of 99.59, a cost basis of approximately 5.61 per cent. The bonds were: $76,976.89 10, 15 and 20-year 5½ per cent. and 6 per cent. local improvements; $25,000 20-year 5½ per cent. electric light debentures, and $10,500 20-year 6 per cent. waterworks debentures.

Bids were:

Matthews & Co.	99.59
C. H. Burgess & Co.	99.29
Dyment, Anderson & Co.	98.64
Bell, Gouinlock & Co.	98.75
Wood, Gundy & Co.	98.61
McLeod, Young, Weir & Co.	97.20

Orillia Issue Awarded

The town of Orillia awarded two issues of bonds totalling $62,000 to Bell, Gouinlock & Company at 100.753. They consisted of $12,000 ten-year 5½ per cent. bonds and $50,000 twenty-year 5½ per cent. bonds. The tenders were as follows:

Bell, Gouinlock & Co.	100.753
C. H. Burgess & Co.	100.60
Dominion Securities Corp.	100.531
Wood, Gundy & Co.	100.29
McLeod, Young, Weir & Co. ..	100.25
Murray & Co.	100.11
W. C. Brent & Co.	100.009
A. E. Ames & Co.	99.85
Matthews & Co...	99.67
MacKay-MacKay	99.50
Macneill, Graham & Co.	99.47
A. J. Pattison, Jr.	99.14
Municipal Bankers Corp.	*96.958

*For 20 year bonds, also bid 97.812 for 10 year bonds.

Buy St. John Bonds

The city of St. John, N. B., awarded an issue of $100,000 twenty-year 5 per cent. bonds to J. M. Robinson & Sons at 97.90, a cost basis of 5.17 per cent. The bids were:

J. M. Robinson & Sons	97.90
Colonial Securities Corp.	97.75
A. E. Ames & Co. and Johnston & Ward	96.38
Thomas, Armstrong & Bell	96.052
Bell, Gouinlock & Co.	95.77

The issue of $100,000 county of Renfrew 5½ per cent. 20 instalment bonds was awarded to the Bank of Nova Scotia at 101.332, at a cost of 5.34 per cent.

INTERESTING BOND ISSUES

"Rubber" 6's Are Seasoned and Sound

From Our Own Correspondent

MONTREAL.—Canadian Consolidated Rubber Company has listed its stock and also its big bond issue but the public interest in the stock is small. Of the $3,000,000 of preferred stock, $2,732,600 is owned by the United States Rubber Company and of the common stock, totalling $3,000,000, the United States Rubber Company owns $2,799,100. It is apparent therefore that there cannot be any extensive trading in the shares until wider distribution is obtained for these. But there is a small but healthy trading in the bonds and these may be regarded as offering one of the seasoned industrial bond issues of Canada.

The issue of "Rubber" bonds in which the general public is interested is the issue of 6 per cent.'s due in 1946. They have been sold over par recently, but are now a few points below that figure and thus give a nice yield for a period of more than twenty years.

A Merger of Companies

Canadian Consolidated Rubber — known to the public as the Dominion Rubber system or through its subsidiary companies manufacturing nationally known lines of rubber shoes and boots, tires, etc.—was originally a consolidation of many different rubber plants. The big merger has had many of the weaknesses of mergers at the start. There was high capitalization, promotion profits, unwieldy organization with a shortage of good managerial ability and so on. But as the years have gone on these disabilities have disappeared in turn. Earnings have gone back into the property to give real strength to the stocks and co-ordinated management has tightened up its lines of control. The greatest improvement came when the United States Rubber Company bought out control and put millions of dollars of new capital into the enterprise besides giving it the benefit of its patents, trademarks, good will, experience, etc.

To-day the company is one of the soundest of Canadian industrial organizations and while it has suffered from the uncertain conditions and the sharp competition in the rubber field during the past two years it has come through in excellent shape and is prepared to take full advantage of the rising tide of prosperity at home and abroad.

Relations of Felt Co.

One of the barnacles on the good ship "Rubber" has been the Consolidated Felt Company. It is all right to say now that the company should never have been organized and much less loaded on the Canadian Consolidated Rubber Company, but the important point is that rubber now has to carry the company along. Even at that wonders have been accomplished and the stage has been reached where the Felt bank loan guaranteed by Rubber has been reduced to small proportions and despite the unsatisfactory financial statements of the Felt Company during the past few years it is likely to have a swing over to the satisfactory conditions.

There is a good deal of sound value behind Canadian Consolidated Rubber bonds. They are a first mortgage on only two of the company's plants, but are to be regarded as the first obligation of the company. Behind this issue —of which about $2,000,000 of bonds are outstanding—is an issue of $8,000,000 of bonds held in the treasury of the U. S. Rubber Company, $3,000,000 of preferred stock and $2,800,000 of common stock, total issues that have a present market value of over $13,000,000. The common stock has a book value of about $150 a share according to the balance sheet in addition to another $150 of less tangible value in good will, patents, etc.

Bond Dealers Protest Sale of Sorel Issue

Bond dealers regard the action of the Council of Sorel, Que., in disposing of a bond issue this week as ridiculous. Nine bids were received for the issue and a tenth bidder offered to pay 10 cents per $100 more than the highest tender. The latter was 99.38 and the bonds were awarded to Credit Canadian at 99.48.

It is pointed out that it is not fair to ask houses to prepare tenders for an issue and award it in this way. Moreover, such action will mean that dealers will refuse to submit offers on bonds. A protest has been registered by the Bond Dealers' Association with the Department of Municipal Affairs and it is hoped that the sale will be cancelled.

INVESTORS DESIRE FULL REPORTS ON UTILITY AFFAIRS

Increased Pressure Exerted by Large Investing Institutions

Enquiries received by bond houses in Canada during recent months indicate a more critical attitude of big bond buyers in respect of provincial and municipal issues. Institutions, especially in the United States, with large blocks of securities have become insistent on securing additional information to that heretofore available in many instances.

Complaint has been made, particularly in the case of the city of Toronto, at times because of the difficulty of securing statements on certain public utilities. It is claimed by some authorities that dealers have met with strenuous objections in disposing of some previous issues of the city's bonds and in one case at least a large order for the bonds was cancelled because it was found impossible to secure all the desired information. Some disappointment was expressed at the price received by the city for a recent issue. Some bond men intimate that the lack of information was a factor in the bidding. The experience of some dealers on former issues, it is claimed, has made them less eager to secure the bonds.

While general information on the city's finances has been available and some utility reports have been made public, the affairs of important projects such as the transportation commission, hydro and harbor developments have been undisclosed. The publication of the transportation report recently was welcomed and the hope was freely expressed that frequent reports may be forthcoming in the future.

Now that public ownership has gained such headway, involving the expenditure of many millions of borrowed money, it is apparent that investors are more anxious to know whether the projects are actually self-sustaining.

Applies to Provinces

The same increased interest applies in the provincial sphere. Some regret has been expresed in bond circles at the attitude of Sir Adam Beck in his speech at Kingston last week when he declared that power was needed at Morrisburg and the Hydro-Electric Commission had the means of financing the development of it. It is pointed out that Ontario's debt is abnormally high in comparison with that of states in the Union already. If new issues are to be floated continually for enormous amounts, it is beyond doubt, bond men say, that the credit of the province will be weakened. While the English market may open up to absorb the securities for a time, the existence of such a large volume of bonds alone will cast a shadow over the market.

NEW BOND FIRM

A new firm, to be known as Cochran, Hay & Company, is being formed in Toronto. The principals were formerly identified with Aemilius Jarvis & Co.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	..	96½
Alabama 5% 1962	73¾	74¾
Algoma Steel 5% 1962	86¾	87¾
Ames Holden 6% 1947	..	43
Belding 5% 1936	86	..
Belgo Can. Paper 6% 1943	94	95½
Brompton 8% 1941	108	110
Burns, P. & Co. 6½% 1943	98½	100
Cna. National Rly. 5% 1954	98	98¾
Calgary Brewing 5% 1942	76	..
Can. Steamship Lines 7% 1942...	95	96
Can. Light & Power 5% 1949 ..	70	73½
Consumers Glass 6% 1935	85½	88
Can. Nor. Rly. Income 5% 1930.	..	51¼
Can. Steel Foundries 6% 1936 ...	98	..
Dom. Iron 5% 1939	..	70½
Davies, Wm. 6% 1942	..	84½
Dom. Power 5% 1932	91	..
Dom. Textile 6% 1949	100½	..
East Koot. Power 7% 1942	97½	..
Fraser Co. 8% 1941	..	105½
Frontenac Brewery 6% 1951	87	88
G.T.P. 4% 1955	72½	..
G.T.P. Sup. 4% 1955	73	..
Holt, Renfrew 5½% 1937	..	96
H. Smith Paper 7% 1941	..	96
Lake Sup. Paper 6% 1941	104¼	..
Laurentide Pow. 5% 1946	95	96½
Laurentian Pow. 6% 1936	..	97
Maple Leaf Milling 6½% 1943...	100	101
Maisonneuve 5% 1954	96½	..
Man. Power 7% 1941	..	98¾
Mattagami 7% 1949	21¼	..
Montreal Pub. Ser. 5% 1942.....	..	78
Montreal Pub. Ser. 6½% 1924...	..	99
Montreal Steel Works 6% 1940 ..	99	..
Province of Ontario 5% 1948	97¾	98¼
Nor. Ont. Power 6% 1931	92¾	94
N.S. Steel 6% Deb.	..	73½
Ottawa Gas 6% 1939	100	..
Ottawa Gas 5% 1934	..	99
Ontario Pulp 6% 1931	105	..
Price Bros. 6% 1943	..	99
Paton Mfg. Co. 6% 1953	..	94½
Provincial Paper 6% 1940	..	100
Porto Rico Rly. 5% 1962	..	64½
Quebec Jacques 5% 1931	86½	..
Shaw. Cotton 6% 1949	..	78
Shawinigan 5% 1934	101	..
Shawinigan 5½% 1950	102	..
Shawinigan 6% 1950	103½	..
South Canada Power 6% 1948 ...	..	101½
Spanish River 8% 1941	106	..
St. Maurice Power 6½% 1953 ...	104½	105¼
Toronto Power 5% 1924	99	..
Wabasso Cotton 7% 1942	96½	..
Windsor Hotel 6½% 1943	100½	..
West. Koot. Power 6% 1943	99¼	..
West. Power 5% 1949	87	..
West. Power 7% 1926	98	..
Winn. Electric 6% 1943	..	92½
Chicoutimi Pulp 6% 1943	68	..

BOND MOVEMENTS OF THE WEEK

Week Ending May 13

BONDS	Int. Rate	Due Year	Yield	Range High	1923 Low	Range High	1924 Low	Latest Ask	Price Bid	High	Low
Cedar Rapids	5	1953	5.14	98½	93	99	95	97½	—	98⅝	97⅝
Can. Steam. Debs. ...	5	1943	7.45	81¾	75	79	70½	75	72	75	—
Elec. Develop.	5	1933	5.27	98¾	98	98	96	98¼	97½	98	—
Quebec Rly.	5	1939	6.73	83½	68	64	80	—	82½	83¼	83½
Rio Janeiro	5	1935	6.81	87¼	81	87	82	—	86	85¾	—
Penman's	5	1926	6.31	97	93¾	97½	95	97½	97	97½	97
Steel of Can.	6	1940	5.75	102½	99	102¾	100½	103	102	102⅝	—
Wayagamack	6	1951	8.20	86¾	75	80¾	74⅞	77½	75	76¼	75
War Loan	5	1925	4.65	100.95	99.10	101.15	100.15	100.80	100.70	100.70	100.50
Do.	5	1931	4.83	101.80	99.80	101.90	100.15	100.85	100.70	101.00	100.95
Do.	5	1937	4.75	103.30	102.00	103.30	102.30	102.50	102.40	102.55	102.30
Victory	5½	1924	4.49	101.65	99.80	100.90	100.05	100.55	100.45	100.45	100.25
Do.	5½	1927	4.79	103.50	101.60	103.15	102.15	102.55	102.45	102.60	102.25
Do.	5½	1933	4.89	106.70	104.15	106.65	104.40	104.65	104.55	104.85	104.40
Do.	5½	1934	5.22	103.90	101.30	103.80	102.20	102.55	102.45	102.85	102.40
Do.	5½	1937	4.81	108.45	106.25	108.17	106.60	106.70	106.60	106.85	106.65
Do., Renewal	5½	1927	5.08	102.80	100.75	101.80	101.00	101.75	101.60	101.60	101.40
Do., Renewal	5½	1932	5.20	103.15	100.80	102.75	101.35	102.20	102.10	102.20	101.95
Do., Refund	5	1928	4.98	99.70	98.80	100.50	99.40	100.05	99.95	100.00	99.95
Do., Refund	5	1943	5.00	99.25	97.90	100.30	99.00	100.00	99.90	100.20	99.90

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Province of Ontario 5%, due 1948
Canadian Pacific Railway 5%, due 1934
West Kootenay Power & Light 6%, due 1943
Abitibi Power & Paper 6%, due 1940
Canada Cement 6%, due 1929
Maple Leaf Milling 6½%, due 1943

Full particulars of the above, and of a number of other high-grade Government, Provincial, Municipal, Railroad, Public Utility and Industrial Bonds, which bear our recommendation, will be furnished upon request.

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SENATE MAKING EFFORT AT CIVIL SERVICE REFORM

(Continued from page 1)

divisions of the Government departments.

It will be noticed that many of these recommendations are in line with much that THE FINANCIAL POST has been saying on this subject. That the Civil Service Commission says so gives the recommendations greater weight and shows that there has been a good basis for them.

There will be no genuine reform of the Civil Service with a worthwhile reduction in the expenditure as long as the initiative is looked for from within. The will to reform and save money must come from without. A civil servant, any more than anyone else, will not cut off his own head.

Those best acquainted with the situation agree that it is useless to expect much reduction in expenditure as long as there are so many departments, and so many branches that practically do the same kind of work. The cutting out of the overlapping is made difficult, for reduction in the amount of work done means a reduced personnel and lessened authority, which is quite likely to be followed by less salary. One of the biggest disclosures in the foregoing list is the statement that government offices in this city are distributed over 65 buildings. This is not mere guess work, it is a statement made by the Civil Service Commission.

Altogether this is the most helpful lot of suggestions on the subject that has been made for some time, and being made on the authority of the Commission, they have great weight.

CIVIC AND PROVINCIAL FINANCE

CANADIAN CITIES MEET PROBLEM OF SUBURBAN AREAS

Brooklands Latest Municipality Seeking to Join Winnipeg

The municipality of Brooklands made formal application to the city of Winnipeg last week for incorporation with the city. Brooklands lies to the west of the city, south of the main line of the Canadian Pacific Railway. It is a town of 2,500 population and has a debt of $140,000 for schools and a debt of $7,000 for a sewer. The application is the second of the kind to be received, one having come through recently from the municipality of East Kildonan.

The members of the city council are at the present time almost unanimous against any absorption. The theory apparently is that the city has troubles of its own.

The suburban municipalities are actuated to a considerable extent by the desire to a solution of their financial troubles. There are, however, some other questions involved, such as sewage disposal. The draining of some of the municipalities is through the city of Winnipeg. The general question will be fully discussed at the next session of the legislature.

Others Have Problem

This problem of dealing with areas adjacent to large cities has already risen in Canada and is likely to be widely discussed in future years as the cities develop still further. In the case of Winnipeg it is intimated that the smaller municipalities are anxious to unite because the debt already created by them presses unduly on the ratepayers. That their absorption under such circumstances will meet with strenuous opposition is only to be expected.

The question of establishing a metropolitan area at Toronto has also been discussed. Here, too, city ratepayers are opposed to assuming the financial burdens in respect of certain matters, especially school expenditure. Those who have borne the cost of building up a city school system fear that they will now be called on to bear a share of the cost of expensive additions in outlying districts.

In Vancouver the same question has been considered but no definite action has been taken to date.

At Victoria an attempt to solve the question is now being made. A Greater Victoria co-operating committee has been appointed and at a meeting it was decided to ask the directors of the Chamber of Commerce to select a committee of eight representatives of the four municipalities concerned, independent of political and municipal men, to make an investigation. It is contended that closer co-operation is needed in the lower part of Vancouver Island to encourage industrial and commercial development. This feeling appears to prevail but many objections have already been encountered. One of these point out that the outside districts would not come into such a plan without a guarantee of zoning for taxation purposes.

Will Study Operations of Whole Civil Service

In a current bulletin the Citizens' Research Institute announces the formation of the Canadian Civil Service Research Conference. The object of the Conference is to study conditions and make suggestions for improvements in civil service bodies in Canada. A series of bulletins will be issued to subscribers.

In considering the salary problem the bulletin says:

> Probably our governments spend more money in salaries and wages than for any other single object. It is by no means exceptional for a Canadian city to spend over 35 per cent. of its total income in salaries and wages. It stands to reason that if any serious cut is to be made in total expenditure, and therefore in total taxation, radical economies will have to be effected in the Civil Service of municipalities, provinces and the nation.

It also points to the multiplicity of governing bodies paying salaries, buying supplies and materials and letting contracts.

Municipal Notes

RECOMMEND BY-LAW

The finance committee of the Stratford city council, has recommended that a by-law be prepared providing for the issue of bonds amounting to $50,000 for the extension of the Hydro system.

ASSESSMENT INCREASES

The assessment of Bridgeburg for 1924 is approximately $2,400,000, based on 40 per cent. of the total assessable property. This figure represents an increase of $175,000 over last year.

WITHHOLD AUTHORITY

Oscar Morin, deputy minister of municipal affairs of the province of Quebec, has refused to sign bonds aggregating $200,000 issued recently by the municipality of Beauport, to cover part of the cost of constructing waterworks in the municipality. An inquiry into the awarding of contracts is being insisted on before the issue is authorized.

MUNICIPAL CONVENTION

It is announced that the convention of the Union of British Columbia Municipalities will hold its 1923 convention at Penticton, probably in September.

The Associated Property Owners of Vancouver are arranging through the Vancouver City Council to send in resolutions in regard to broadening of taxation, and this organization is arranging to have a delegation at the convention to explain the different methods which they have devised.

ST. JOHN TAX RATE

The tax rate of St. John, N.B., has been struck at 30.4 mills for the present year, as compared with 30 mills in 1923. The assessed valuation has increased by $384,000 but the number of ratepayers is lower.

The figures are as follows: 1924 levy, $1,738,178.74, made up of county portion, $426,868.45; city portion, $1,195,231.52; specials, $75,185.05; banks, $23,262.27; super-tax, $17,631.50.

The total assessed valuation in 1923 was $52,974,550, and this year it is $53,358,550; last year the number of ratepayers was 17,966 and this year it 17,731.

BRAMPTON EXPENSES UP

The expenditures of the town of Brampton for the current year will be $15,000 higher than last year. The amounts required for 1924 are as follows:

To the treasurer of the County of Peel	$ 26,436
General purposes	53,335
Principal and Interest on Debentures due in 1924	85,331
Public school board	25,727
High school board	9,500
Total	$200,329

The tax rate for the year will be apportioned as follows:

County rate	7.08 mills
General purposes	6.61 mills
Schools	13.43 mills
Debentures	12.88 mills
Total	40 mills

NOTICE

Subscribers in the Maritime Provinces are requested to note that G. P. Black, of St. John, N.B., our recent agent in the Maritimes, is no longer authorized to collect subscriptions for our papers, or to act in our behalf in any way. All subscriptions should be forwarded direct to The MacLean Publishing Co., 153 University Avenue, Toronto.

GRADING OF TAXES ON INCOMES SHOWS WIDE VARIATIONS

French Levy is Higher on Those With Small Income

An interesting comparison of the per capita tax rate of the leading countries was made recently by the French Bureau of Information in the United States. The report indicates that, contrary to the general conception, France's tax rate is almost as high as that of Great Britain, which is unquestionably the heaviest of any of the leading countries.

According to the French Journal Officiel, the report states, France in 1922 collected 550 francs per capita. This figure calculated on a 1913 price basis amounts to 18.3 per cent. of the average pre-war income. During the same year Great Britain collected £17 per capita. Calculating this on the same basis, viz., the 1913 price level, it is equivalent to 20 per cent. of the average pre-war income. It thus appears, if the premises be correct, that the tax burden in France is only marginally lighter than that in Great Britain, while, according to the report, German taxes for 1922 amounted to only 5 per cent. of the pre-war income. Going more specifically into the income tax in the different countries, the Bureau gives some interesting statistics compiled by the U. S. Bureau of Internal Revenue on the amount of taxes due on incomes ranging from $5,000 to $100,000 received during 1922 by a married man with two dependent children. For Great Britain, France and the United States the figures were:

Income	Gr. B.	Fr.	U. S.
$ 5,000	$ 320	$ 900	$ 68
10,000	1,128	1,416	456
25,000	7,003	2,816	2,496
50,000	17,450	9,316	8,576
100,000	43,450	29,416	30,976

In Canada the taxes on incomes under the same conditions were as follows:

Income	Tax
$5,000	$ 101
10,000	569
25,000	2,974
50,000	9,599
100,000	32,699

From this it will be seen that Canadians are taxed more heavily than citizens of the United States, in all groups. They are lower than the French at the smaller incomes, but higher in the case of the larger ones. The income tax in Great Britain is still much the heaviest of those considered. In view of the American levels some disappointment has been felt in Canada that the scale here has not been reduced.

Three Rivers Maps City by Aero-Camera

From Our Own Correspondent.

MONTREAL.—Taking advantage of perfect photographic weather, the Fairchild Aerial Surveys flew an aerial map of the city of Three Rivers. Three Rivers will have the completed "Aerial Photo Map" by June 1, and will be able to count herself a very close rival to the city of New York, as that city has just taken delivery of their order for an aerial map from the New York office of the Fairchild Aerial Camera Corporation.

The city of London, Ont., grasped the advantages of an aerial map two years ago, and was in fact one of the first cities in the world to be actually surveyed from the air. So accurate were the results obtained on this map that other up-to-date cities and corporations quickly followed suit, so that now practically all the progressive towns are quickly coming under the eye of the aerial camera.

However, the cities are not the only places where the camera is working, as it is a well established fact that it is by far the most suitable method of forest survey, and the latest territory to be invaded by the aerial camera is that being explored on the Amazon River by Dr. Alexander Hamilton Rice.

Tenders and By-Laws

TENDERS WANTED

May 26, Three Rivers.—$390,000, 5½%, 20 and 30-yr. bonds. Arthur Nobert, Treasurer. (See announcement on page 16.)

May 31, County of Brant.—$55,000, 5%, debentures. A. E. Watts, County Treasurer, Brantford. (See announcement on page 16.)

May 26, Thorold.—$17,972, 5½ and 6%, 15-yr. debentures. D. J. C. Munro, Treasurer.

May 26, Smith's Falls.—$118,000, 5½%, 30-ins. debentures. C. A. Patterson, M.D., Chairman of Finance. (See announcement on page 16.)

May 19, Aylmer, Que.—$57,600, 5½% debentures.

May 20, Waterloo County.—$260,000, 5½%, 15 and 20-ins. debentures. S. Cassel, Treasurer, Kitchener.

May 19, North Vancouver.—$34,752, 6%, 10-yr.; $8,372, 7%, 5-ins. debentures. R. F. Archibald, Clerk.

May 30, Sault Ste. Marie.—$75,000, 5½%, 10, 20 and 30-ins. debentures.

May 20, Thessalon.—$7,950, 5½%, 20-yr. debentures.

We deal in—

Belgo Paper 6's 1943
Belgo Paper 7% Pref. Shares
Quebec Power 6's 1953
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St. Maurice Power 6½'s 1953
Montreal Public Service 5's 1942
Montreal Public Service 6½'s 1924
Windsor Hotel 6½'s 1943
Can. Pacific 5's 1934
Manitoba Power 7's 1941

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KIPLING

the world's most sought-after short story writer

will have during the present year

8 Stories in MacLean's

The first story, "The Janeites," appears in the May 15 issue, and there will be an average of one story a month during the balance of 1924.

"Rugged as a Rodin Statue," was the description of one editor after reading "The Janeites." For five years Kipling wrote no fiction, as he was devoting his literary energies to that imperishable record, the history of the Guards in the Great War. Now he has returned to his first love, and the master hand which penned "The Man Who Would Be King," "The Brushwood Boy," and other classics of English short prose, has not lost its skill and cunning. Starkly realistic are these new stories, yarns—in the main—of soldiers who do not forget there was a war. Graphic, bitter, lurid, even coarse, but with the Kiplingesque touch which redeems all. Some of the other stories to follow will be entitled:

The United Idolators
Enemies to Each Other
A Friend of the Family
A Madonna of the Trenches
The Prophet and the Country

Other fact and fiction features in the May 15 issue of MacLean's Magazine include:

"Gold Hair," the love story of a girl who feared she might grow bald, by Isabel Ecclestone Mackay.

"The Failure," a romance of a business office, by Archie P. McKishnie.

"Restitution," a charming English crime story, where you will sympathize with the "criminals," by Horace Annesley Vachell.

"The Wrath to Come," the concluding instalment of an extraordinarily popular serial of diplomatic intrigue, by E. Phillips Oppenheim.

"Canada's Mountain Playgrounds," by M. D. Geddes.
"Commons Faces Vexing Problems," by J. K. Munro.
"Men Who Make Opportunity Beckon," by Guy Morton.
"Riddles of Farm Finance," by J. Herbert Hodgins.
"Canada's Two Front Doors," by Herbert Hope.
"Summerizing the City Home," by Katherine M. Caldwell.
"Competing With Nature in Flowers," by Gertrude E. S. Pringle.
"Straight From the Shoulder," by Joan Flower.

So much for the May 15 issue of MACLEAN'S. Here is just a glance at some of the good things in store in the June issues:

Fiction by Rudyard Kipling, Ben Ames Williams, Norma Phillips Muir, Lillian Lauferty, Joseph Lister Rutledge, W. A. Fraser, Arthur Stringer, Lawrence Perry, and W. Somerset Maugham.

15c. at all Newstands
MACLEAN'S
"CANADA'S NATIONAL MAGAZINE"
May 15th Issue

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Date—	Place—	Sold To—	Rate	Term	Amount	Price	Basis
May	—Weston	Matthews & Co., Toronto	5¼ & 6%	10, 15, 20-ins	$112,476	99.59	5.6
May 12	—Vancouver	Burdick, Logan & Co., and Syndicate	5%	15 & 40-yr.	320,000	94.40	..
May 8	—Saskatoon	Wood, Gundy & Co., Toronto	5½ & 6%	5 to 30-yr.	244,200	97.71	5.94
May 10	—Sorel, Que.	Credit Canadien	5½%	15 & 20-yr.	160,000	99.48	..
May	—Levis, Que.	Caisse Populaire de Levis	5½%	40-yr.	18,300	97.30	5.67
May	—St. John, N.B.	J. M. Robinson & Sons, Montreal	5%	20-yr.	100,000	97.90	5.17
May	—Three Rivers	Municipal Debentures Corp., Toronto	5½%	20-yr.	200,000	96.28	5.30
May 10	—Orillia	Bell, Gouinlock & Co.	5½%	10 & 20-ins.	62,000	100.753	..
		Provincial					
May	—Saskatchewan	Dominion Securities Corp., and Synd.	5%	20-yr.	1,325,000	..	..

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To make it as easy as possible for those "bearing the burden in the heat of the day" to carry life insurance adequate to their needs—that is the motive of the Mutual of Canada. The company issues annual dividend policies so that the refunds are available year by year to reduce the premiums, or the dividends may be accumulated at interest until, being added to the reserve, the policy becomes paid up or matures. As the company is operated on the mutual principle, the dividends are as liberal as possible, every dollar of surplus being used to lighten the burden of protection. In other words, we aim "to provide the largest amount of genuine life insurance for the smallest possible outlay." This year our dividends have been again increased, and the cost of insurance correspondingly reduced. Our method is economical, equitable and democratic, securing "maximum benefits at a minimum cost."

Assets $59,727,388—31/12/23—Assurances $269,982,566.

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TOTAL BENEFITS
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You may outlive the risk of leaving your family unprotected, yet **live too long.** If a **sure** income has not been provided for your later, unproductive years the prospect is not alluring.

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$500 for $381.20

$381.20 invested now will yield a certain profit of $118.80 at the end of five years. On larger or smaller investments the return is in the same proportion. The security is an Accumulative Debenture of the Canada Permanent Mortgage Corporation, Canada's premier mortgage corporation, which has assets exceeding Forty-three Million Dollars.

Many people are saving for the future by investing regularly in these Bonds. Combining, as they do, absolute security with an attractive return, they should be included among the investments of all who have amounts on which they are prepared to allow the interest to accumulate.

Please write or call for full information about "Canada Permanent" Accumulative Bonds.

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View of the Press Room, Parliament Buildings, Ottawa, showing Dominion Battleship Linoleum Floor.

A Quiet, Durable Floor that Aids Efficiency

DOMINION Battleship Linoleum makes the ideal floor for a busy office. This springy, resilient flooring is firm to the tread, yet soft and comfortable. It eliminates the pound, scurry and echo of busy steps and aids concentration by the air of restful quiet it imparts.

Banks, offices, schools, hospitals and public buildings and stores of every description are using Dominion Battleship. They find it unequalled for durability and walking comfort. Its sanitary qualities are welcomed, too, and the fact that it is so easy to clean, reduces upkeep costs to a minimum.

Properly laid with waterproof cement, Dominion Battleship becomes a permanent floor. It resists the heaviest traffic and never needs expensive refinishing.

Typical Dominion Battleship Linoleum and Cork Carpet Installations.

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Royal Bank, St. Stephen, N.B.
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Robert Reford Building, Toronto.
C.P.R. Building, Toronto.
Public Utility Bldg., Galt.
Departmental Stores
Hudson's Bay Company, Calgary.
Henry Morgan & Co. Ltd. Montreal.
Other Stores and Restaurants
Tucker's Cafeteria, Toronto.
Essery & Co. Ltd., Edmonton.
Sheffield Lunch, Toronto.
Schools
John Ross Robertson School, Toronto.
Loyola College, Montreal.
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Notre Dame Hospital, Montreal.
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Made in four standard shades—brown, green, terra cotta and grey. Special colors for large contracts. Write for free folder and samples.

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CHINA HEAVIEST WHEAT BUYER

MONTREAL. — China stood second on the list of buyers of Canadian wheat in the markets of the world during March, importing 2,519,954 bushels of Canadian wheat, valued at $2,393,655. The United Kingdom took 6,724,591 bushels, valued at $6,927,947. Belgium and France were next most extensive buyers, each taking slightly more than one million bushels. The total amount shipped during the year ended March, 1924, was 256,870,237 bushels. This shows an increase over the preceding year when 215,074,566 bushels were exported. The value of the wheat exported was $267,758,559.

INSURANCE FOR BUYER AND SELLER

SEEK TO PROTECT ESTATES AGAINST DANGERS OF LOSS

Life Insurance Trust Ensures Immediate Income for Beneficiary

To leave an estate in such a manner that it cannot be easily dissipated is a problem being faced by business men, which involves a multitude of pitfalls and dangers. To avoid the possibility of loss has proved more difficult in many cases than the actual accumulation of a substantial estate. A solution which has been gaining increasing recognition year by year among legal and financial men, is the use of trusts and trust companies. Through these a large measure of protection for the principal of an estate is secured, but only if care is exercised in drawing the trust deeds correctly.

Many helpful points in this connection were outlined by Harold L. Cheney, of Minneapolis, in an address on "Trust Estates," before a convention of Great-West Life field men at Vancouver recently. In showing the need for trusts he said:

"Men who have acquired a fortune by skill, industry and self-denial can hardly be expected to view with equanimity the prospects of the fruits of their labor melting away within a few years after they are dead. Lack of experience—mismanagement with honest intent—mismanagement with dishonest intent—poor business judgment—dishonesty—unfortunate marriages, etc., are important questions that must receive serious consideration on the part of the man who has accumulated property and is desirous of making provisions for absolutely fixed and certain incomes to his beneficiaries. A beneficiary may be quite competent to-day, to look after property left to her, but how will it be if she grows old and infirm, with no disinterested person to advise her against the wiles of the schemer and the importunities of needy friends and relatives? She may then be persuaded to endorse notes, go surety on bonds, or otherwise render herself liable to be stripped of the provision made for her at the time of life when she will need it most.

There is but one way that a man can safely and with certainty guard against conditions of this character. That way is through the medium of a TRUST."

To accomplish the desired results, he affirmed, it is necessary for men to think through the execution of their own estates and picture the situation as it will be.

Mr. Cheney reviewed the development of testamentary trusts and growing preference for trust companies on account of the advantages of continuity, responsibility, etc. After indicating some common mistakes he continued by discussing at length the rapid advances made in recent years in the use of life insurance trusts. Explaining the advantages he said:

"So there has been evolved out of our great financial institutions a new form of leaving moneys in trust, using the term in its broad sense. The life insurance trust eliminates the undesirable features I have mentioned and hedges the testamentary trust. The record of life insurance companies is a thing to be proud about. Trusts are made available through life insurance out of current income instead of from accumulations—all that is required is a nominal annual interest charge on the principal desired to be set up at death. The Marine Trust Co. of Buffalo, N.Y., is quoted in the February issue of 'The Life Insurance Salesman' as follows:

"'We are thoroughly convinced that the life insurance trust will be the coming trust. There are a great many Americans who have large earning capacities but who are never able to lay up enough money to produce capital. To this class the life insurance trust is the only method of the creation of a substantial estate for dependents.'

"The life insurance company mingles the principal of the trust with the general corporate assets of the company, which means that every dollar of the rapidly-increasing assets of the company stands back of the company's guarantee that there shall be no depreciation of the principal of the trust, but that it shall be paid over eventually to the beneficiaries named in the agreement—dollar for dollar.

"This mingling of the individual trust funds with the general corporate funds of the company furnishes a degree of security not to be obtained in any other way.

"Take our own company for example. The assets of the Great-West Life Assurance Company on December 31, 1923, were in excess of $56,000,000 invested in, and limited by strict Dominion, State and Provincial supervision to only the highest class of securities. These assets are increasing rapidly from year to year, thus furnishing increasingly stronger guarantees to beneficiaries under our trust agreements. Occasional losses through unfortunate investments will sometimes occur, but this loss is spread over the entire assets of the company and does not fall on any particular beneficiary or class of beneficiaries. It does not depreciate the principal of the trust funds."

"The income from a life insurance trust is immediate and certain. It begins as soon as a man dies—in many instances, where the distribution of income is on a monthly basis, the first check from earnings is in the hands of the beneficiaries before the executor of the estate has received the official credentials from the court that enables him to draw the deceased's money out of the savings bank or checking account. Think of it! Is that not true SERVICE in every sense of the word?

"The income is absolutely guaranteed against interruption. It is fixed—definite—an income that can be relied upon. Beneficiaries are protected against their own improvidence and ignorance—there is no publicity connected with this kind of an estate. A life insurance trust seldom forms a part of the estate that has to be probated—it never becomes a matter of public record—and so the names of beneficiaries are not automatically added to every so-called 'sucker list' in the country."

The life insurance trust has the prime advantage of being definite and applicable to any circumstances which may exist at the death of the testator. The periodical instalments payable are definitely specified and cannot in any way be reduced. On the other hand they may be substantially increased in cases where the contract is on a participating basis.

NOVA SCOTIA BILL LIMITS INFLUENCE ON FIRE INSURANCE

Loaning Company Retains Right to Reject Existing Policies

Should a company loaning money on mortgages have the right to act as a fire insurance agent and accept commissions on insurance placed on properties securing mortgages? This is a question which has come up for solution in Nova Scotia through the introduction in the Legislature of a bill to amend the existing law in the province. The bill reads in part:

"No company approved under the provisions of this act shall, nor shall any officer, agent or employee of such company, nor any company, firm or corporation controlled wholly or in part by such company whether by ownership of shares or otherwise, under the penalty of revocation, by the Governor-in-Council of the approval given under this chapter, act as agent for any insurance company or for any person in the placing of insurance, for the benefit or profit of the company as approved, nor shall any company so approved or any officer, agent or employee thereof exercise pressure upon any borrower from such company to place insurance for the security of such company in any particular insurance agency or company, provided that nothing herein contained shall be construed in any wise to restrict the right of such company to refuse to approve as acceptable security the insurance policy of any company."

The problem developed out of a practice established many years ago by insurance and trust companies which loan large amounts on mortgage, of operating fire insurance departments for profit. These were in all essentials licensed agencies with the right to sell insurance in much the same manner as a private individual. As the companies, through their loaning departments were interested in properties, they secured the placing of much insurance.

Complaints were made at intervals that the companies exercised undue influence on the insurance arrangements of mortgaged property. It was claimed that they made a loan conditional on securing the insurance business, even insisting in cases that existing policies be dropped. The final result was that an amendment was passed in Ontario prohibiting such companies from securing licenses in the province. The present bill in Nova Scotia is directed to effect the same restrictions.

Advocates of the bill claim that the trust companies are taking advantage of their position to secure business and that insurance already placed in satisfactory companies and through reliable agents is cancelled and replaced by other protection through the trust company agencies. Those opposing the bill maintain that the insurance agency is one of the recognized functions of a trust company. Moreover officers of companies doing an insurance business in this way claim that they secure much of their business in the ordinary way and that property owners are only asked to change existing insurance when it is placed in companies which are regarded as unsafe by the loaning company.

It is also pointed out that companies making loans must continue to have the right to require that the insurance be placed in companies satisfactory to them as this is a part of the mortgage agreement.

Crown Life Extending Its Business to Cuba

The Crown Life Insurance Company has opened a general agency in the Republic of Cuba where George A. Morson, of Havana, formerly general manager of the Cuban Railways and well known throughout the Republic, has been appointed resident director. George T. Street, formerly of the New York Life Insurance Company, has been appointed the company's general agent for the Republic.

A. H. Walker, general manager of the Sterling Bank of Canada, has also been elected a director of the company.

CANADA LIFE CHANGES

At a meeting of the Board of Directors of the Canada Life Assurance Co., important changes were made in the company's organization. Leighton McCarthy, who has been a member of the board for several years, was elected a vice-president, now sharing this honor with E. R. Wood. He will also act as general counsel of the company. Up to the present Herbert C. Cox has occupied the joint position of president and general manager. He will retain the former position, but T. G. McConkey will fill the position of general manager in the future. Since 1911 Mr. McConkey has been the company's general superintendent.

J. A. McLeod, general manager of the Bank of Nova Scotia, was elected a director of the company.

A shipment of forty million bees valued at $10,000, has reached Winnipeg from South Carolina. This unusual shipment is for distribution to prairie points.

COMPANY WITHOUT LICENSE MAY NOT MEET ITS CLAIMS

Warns Against Unlicensed Insurance; No Redress in Courts

A warning is being issued by the Department of Insurance, Ottawa, against placing insurance in unlicensed companies. It says in part:

"Complaints continue to reach the Department that persons in Canada insuring with companies unlicensed in Canada have failed to obtain payment of their claims when they occur. In these cases the assistance of the Department is sought and where possible is given, but in many cases the efforts of the Department to secure payment are unsuccessful. Under these circumstances the Department considers it necessary to repeat the warnings contained in a memorandum issued under date October 3, 1922."

Most policies placed with these companies are negotiated entirely by mail and the insured has little knowledge of the persons with whom he is dealing. The previous warning issued contained the following:

"The Department thinks it desirable, therefore, that the public should be warned that there is nothing in the statutes preventing unlicensed insurance companies from communicating with persons in Canada by mail for the solicitation of business or the collection of business or otherwise in connection with insurance. It should also be carefully noted that in respect of this insurance no protection is given to the insured by way of Canadian deposits.

"In several of the cases recently brought to the Department's attention, it has been found on enquiry that the companies have been placed in liquidation and the liquidators take the position that action must be instituted by Canadian claimants in the courts of the companies' native states. This attitude has also been taken by some companies still carrying on business.

"In all these cases this Department is unable to enforce the claims of Canadian policyholders by reason of the fact that the companies do not maintain assets in Canada for their protection."

The Dominion and the Provinces maintain a licensing system for the protection of Canadian policyholders and experience proves that this plan has been highly successful. Deposits are required from companies seeking registration and in most cases regular inspections of the company's books are made. These safeguards, of course, do not apply to the business of unlicensed companies. While the fact that a company is licensed does not necessarily mean that it is safe to insure with, it is the first requirement in choosing suitable companies for any class of insurance.

INSURANCE ACT WILL BE REVISED IN 1925

Dominion Superintendent Comments on Condition of Fraternal Societies

MONTREAL.—Declaring that "the actuarial conditions of the friendly societies were very satisfactory at the present time," G. D. Finlayson, Dominion superintendent of insurance, addressed the annual convention of the Canadian Fraternal Association which finished a two-day session here last week.

Mr. Finlayson said also that the amendments to the law in the immediate future would not affect in any material way the fraternal orders, as they contemplated regulating investments by the insurance companies in joint stock concerns whose shares had no par value, etc. He announced, however, that the Dominion Insurance Act was undergoing a revision and consolidation for passage at the federal session of 1925.

The election of officers for the ensuing year resulted in the choice of Clair Jarvis, of the Canadian Woodman, president; C. J. Foy, of the C.M.B.A., vice-president; George E. Bailey, of the I.O.F., representative on the executive; W. F. Montague, of the Chosen Friends, as secretary-treasurer, and Lyman Lee, past president, as councillor.

CROWN LIFE APPOINTMENTS

J. S. Stevens, formerly superintendent of the Crown Life Assurance Co., for the Province of Saskatchewan has been appointed inspector for Eastern Ontario with headquarters at the home office in Toronto.

J. Prest, for many years with the Manufacturers Life Insurance Company has been appointed district manager for the counties of Waterloo and Wellington, with headquarters at Kitchener, Godfrey Franke, formerly of the Canada Life, as assistant.

W. S. Everitt, for many years with the Great West Life Assurance Co., becomes district agent for the county of Essex, and W. E. Davison, formerly treasurer for the town of New Toronto, has been appointed district manager for the counties of Lincoln and Welland, with headquarters at St. Catharines.

MAY REDUCE CAPITAL

The application of the Northern Life Assurance Company for power to reduce its capital has passed the Committee on Banking and Commerce, at Ottawa. This will open the way for a further readjustment of the company's affairs. A number of field appointments have been made recently, the business in March being 50 per cent. over that in February.

INSURANCE LICENSES

The following licenses have been issued by the Department of Insurance, Ottawa:—The London Mutual Fire Insurance Co., to issue sprinkler leakage insurance and the Pacific Fire Insurance Co. to issue insurance against damage to property of any kind caused by the explosion of natural or other gas.

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FREDERICK M. MOFFAT
Trustee in Bankruptcy
Federal Building Main 4786
TORONTO

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The Imperial Canadian Trust Co.
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Head Office, Winnipeg.
Branches: Saskatoon, Regina, Edmonton, Calgary, Vancouver and Victoria.

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INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
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Robert Forke, Progressive Leader, On Government's Fiscal Policy

(Continued from page 1)

a clipping that I took this morning from the Ottawa Journal. Doubtless most hon. members have read it, but nevertheless it is so good that I wish to place it on Hansard. The article is entitled "Hats Off to Britain," and reads as follows:

> Britain's financing stands as a continuing marvel. Before the war there were those who said (some said it gleefully) that the people were decadent, that her financial, moral and physical foundations were crumbling, that she was going the way of the great empires of the past. Britain's answer was to fight the most colossal war in history, to pour out blood and treasure unstintedly, to buttress and finance most of her Allies, to write deeds of heroism, fortitude and courage that will live while men remember.
>
> And since the war, what has been her record? While other nations bowed before the aftermath of the storm, she has marched from triumph to triumph. Her word her bond as of yore, this "Perfidious Albion" has fulfilled her every obligation. Reeling under a world-wide catastrophe, beset by troubles at home and abroad, dragged down by creditors who either would not or could not pay, she has paid her debts, paid to the last farthing, asked for no favors other than her due, and is emerging from the tempest with honor unsullied and her credit and name unimpaired. . . . And that credit is being maintained under the leadership of Ramsay MacDonald. During the past year Britain faced prodigious problems at home and abroad. She encountered unemployment, strikes, and industrial depression. She paid out millions and tens of millions for pensions and doles. She had to maintain a mighty amy and navy. And she had to face all expenditure incidental to the administration of an empire which embraces one-fourth of the world's territory, and one-third of its population.
>
> Yet this week she produced a surplus. Produced a surplus of $240,000,000; and in consequence, reduced her floating debt by $175,000,000; abolished her corporation tax; and lightened the food taxes of her people.
>
> Yes, hats off to Britain! In peace as in war she stands as the spearhead of progress. While other peoples have let strife visit them with chaos, she has toiled for peace and reconstruction. In a world of turbulance and hatred she has not been afraid to disarm. And while racial suspicions and greeds and jealousies have been turning the world into a witches' night, while parliamentary government has been going down all over the world, she has been giving a magnificent example of the robustness of her democracy, extending the boundaries of freedom in her Empire, and to-day, after 1,000 years, the greatness of her dominion knows no westering sun. To-day, indeed, we can say of her, in the words of a celebrated poet:
>
> "Set in this stormy northern sea,
> Queen of these restless fields of tide,
> Britain! what shall men say of thee,
> Before whose feet the worlds divide?"

I want to point out to the House Mr. Speaker that the nation depicted in these glowing terms is free trade Britain. Some hon. members to my right have stated that Great Britain was not a free trade country, that to some extent she is a protectionist land. In the main there is no doubt that the United Kingdom to-day is a free trade country.

I think I made the remark yesterday that conditions in Great Britain were not really so bad as some hon. member seem to believe. I think the editorial which I have just read from a newspaper which is, perhaps, not friendly to free trade ideas, is well worth repeating. The other day I received a copy of a newspaper published in my old home county, in Scotland, sent to me by someone in Toronto whom I never saw. I read it very carefully, as I was interested in the different items of news from a social and business point of view. Trying to read between the lines in order to find out the social and business conditions existing in the locality in which I was born in Scotland, and without prejudice trying to find out just what was being done over there, I could see no great indications of any tremendous troubles in that country greater than we are experiencing at the present time. Social life seemed to be swinging along pretty much as usual, and, judging from the wage report, I could not see that there was any material difference between the agricultural workers in Scotland and those in Canada at the present time.

I turn now to the United States for a few minutes. The United States is held up to us as one of the great examples of what protection can do for a country, but I would like to point out that the United States has great advantages in climate and natural resources. Perhaps no country in the world has the same advantages as the United States in these respects. Coming to more recent years, the United States was enabled to realize huge profits from war contracts before she ever entered the war, and in no way can you compare protective United States with a country which has been in the same position as warworn and weary Europe is at the present time. We have no reason to compare the condition of Canada with the condition of the United States. The burdens which are being carried by the United States, with its wealth and population, cannot be compared to the heavy burdens which Canada carries at the present time. Canada entered the war, made sacrifices in human life, money and wealth and in every way incomparably greater than any sacrifices the United States has made. Therefore United States' prosperity and Canada's trouble cannot be compared in any way through either the tariff or the want of a tariff; that has nothing to do with the question in any shape or form. In Canada we have a rich and fine country with great natural resources. The hon. member who has just addressed the House (Mr. Lapierre) dwelt upon the mineral wealth of Canada. I had the privilege of listening to an address in the Chateau Laurier by Professor Wallace, of the University of Manitoba. He was at one time commissioner for northern Manitoba and I think also president of the Mining Engineers' Institute. He is a man well acquainted with the mineral possibilities of Canada, and it was cheering indeed to listen to the address in which he stated what he considered to be the possibilities of our future development in that line. He spoke of that vast stretch of territory to the north which is sometimes the despair of some of us who wish to see Canada a united country. Speaking of our mineral wealth, he believed that mining and lumbering and other industries would bring about such vast development in that vast stretch of territory that it would link up what we now call the East and the West into one complete whole. Canada has a temperate climate.

Professor Wallace pointed out that the vast resources in the prairie provinces in the shape of coal would make it quite easy for that country to be developed from an industrial point of view; and that in time to come industries would grow up upon the prairies, and, that we would have a more diversified production than we have at present. I am sure I do not wish anyone in this House to believe for one moment that I am not in favour of industrial development. I do not think any member in this House would have anything to say against industrial development in Canada. The only fault we have ever found is that an attempt has been made to foster some industries which seemed to be unable to suit themselves to the conditions found in Canada.

With reference to the budget brought down by the Acting Minister of Finance, Mr. Robb, I am sorry that he is not in his place, because I would like to have complimented him upon the businesslike way and the intelligent form in which he presented that budget. But I have some little criticisms to offer, I think the Acting Minister of Finance, in that short speech he made after the budget had been delivered, stated rather jauntily that it was a matter of book-keeping whether you had a surplus or a deficit. Perhaps it is a matter of book-keeping, which is rather staggering to the ordinary man in the street, but I am sure that there must be something more than just book-keeping behind it, and there must, in a financial statement, be either a balancing of accounts, or a surplus or a deficit. I am not going to enter into any discussion or analysis of that financial statement. I think most of us have a complete grasp of it and know exactly what it means. To some extent at least it is very satisfactory from one point of view, namely, that we have at last turned the corner and are moving in the right direction, and that in the not far distant future some reductions will be made in our national debt. I agree with Mr. McMaster that a financial statement might be made in such a way that all the commitments of the country and its liabilities could be stated so plainly that the ordinary man in the street would understand just exactly what the financial condition of the country was. I know that almost all finance ministers, Dominion and provincial, have a universal habit of making as favorable a statement as they possibly can. I have heard it said that this is done to help the credit of the country and to make the best showing possible, but really I do not think it can amount to very much after all, because when we are dealing with financial people, surely they are quite able to analyze a financial statement and will do so, and really it does not matter very much if in that statement, the very best showing is made, to help the country, I think that all the liabilities for which the country is accountable should be clearly understood by the people; they should not be charged at random to this account or the other, but should be so set out as to be intelligible to the ordinary man who sometimes is bewildered by our prsent methods and certainly does not know just where we stand.

Let me say a few words in regard to the necessity for economy. We have great national obligations, huge war debts, heavy fixed charges and liabilities in connection with our national railways, all of which must be met. Unfortunately, all governments, Dominion, provincial and municipal, have spent money rather too freely during the last decade, with the result that taxation has assumed considerable proportions. A great deal of the obligations for which the people of Canada are to-day responsible are fixed charges which will have to be met for several years, and we must realize to-day that for some considerable time yet to come the road before us will be a difficult one. This increases the necessity for the most rigid economy in the conduct of our public business, whether it be on the part of the Dominion governmest or the smallest municipal council. Any one who has had anything to do with public business knows that people in office always have demands made upon them which are larger than they can possibly undertake. That is common experience, certainly I know it is the fact in municipal affairs. I believe that society generally to-day is demanding greater services and more conveniences that it is willing to pay for, and that is one reason why people in office should be exceedingly careful about expenditures. I think it was Samuel Butler who said that progress first began when man sought to live beyond his income. On that principle it seems to me that we are progressing rapidly nowadays. I have no doubt there is a germ of truth in the suggestion; because if we are entirely satisfied with our conditions we are not likely to make much progress. At all events, I think that every one who has anything to do with the spending of public money should bear this truism in mind. There are, however, certain public services that should not be neglected, no matter what our views on economy may be. For example, while the question of public health refers perhaps more particularly to the provincial sphere, I think it is one of the utmost importance. Under no conditions should anything appertaining to the health and the physical welfare of the people be neglected; that would be false economy, and I trust that both Dominion and provincial governments will carefully avoid it.

Another important department of public service is the education of our people. I know that a very long address might be delivered on the question of education, and I do not think there is a member in this House who would not have at least some views to contribute to a discussion of our system of education and its results. We no doubt all agree that it is one important phase of our national life that calls for the greatest attention, and while economy should be practised to as great an extent as possible, nevertheless all needful expenditures in this direction must be made. Now, the term "education" is comprehensive, it is very wide in its application; and an important aspect of education is the training of men in engineering, mining and similar industries. Perhaps that is a side of the subject that we never think of, and I would impress upon the House that while our young people are being educated for the purpose of pursuing various lines of endeavour, the dignity of labor should always be upheld. I think that we are going astray a little in this respect. The man who soils his hands in honest labor to-day is not, I think, received with sufficient respect by the great bulk of society. I sometimes feel, as I have no doubt most people have felt, that when one has done a creditable piece of work, either physical or mental, he has created something which in some way or other will be of service to mankind; and there is certainly a great deal of satisfaction to be derived from that source. I want to see labor dignified everywhere as something honourable, so long as it serves society and contributes to the general happiness of the people.

I want to say a few words about manufacturing, and I confess that I enter upon this ground with the greatest timidity. Of course, a number of the hon. gentlemen in the House are accustomed to addressing us on this side on the subject of agriculture, telling us what we ought to do in order to carry on our business. So that I may presume to say something to the manufacturing interests, though I shall be rather cautious in what I say. I have no other wish than to see our manufacturing industries prosperous. In the past few weeks there have been many complaints regarding conditions in connection with these industries. I have received letters from almost every place where manufacturing is being carried on in Canada, indicating how dangerous and critical a position that particular industry occupies at the present time. In these communications I am told, virtually, that it would be criminal to do anything that might tend in any way to injure the business. Now, I am not inclined to take so gloomy a view of the thing, nor do I believe that the manufacturing interests themselves are as pessimistic as some of them pretend—perhaps I should not use the word "pretend," but hon. members know what I mean. I have watched the agricultural implement people and I want to give them credit for this fact, that since the budget has come down I have not noticed very much whining on their part; rather, they are buckling down to work, and the first thing we know, the agricultural implement industry will be prosperous in the next year. It has struck me as something rather strange to notice the general tone of the prospectuses that are put out by several manufacturing concerns to-day. The account that they give of themselves in these documents is very different from the one which they give when writing to some hon. members in this House. I have no doubt that members of the government get these letters, too. The prospectuses, I say, tell an altogether different story. For instance, I notice a prospectus issued by the Howard Smith Paper Company appearing on the first pages of MacLean's Magazine, and the statement is a very bright one. They are selling their bonds guaranteed at 7 point something per cent. and they say that they have cheap power, that they cannot supply the domestic demand, and that their export business is growing rapidly. One of the things that bother me a little—and I do not think that I am misinformed—is the fact that this company is selling its products cheaper in the United States than it is selling them to Canadian customers. I suppose this would be called dumping. We hear a great deal about patriotism and the love of people for Canada, and we are urged to see that Canada shall prosper, and so forth. Yet those people who talk that way turn round and charge their fellow countrymen a higher price than they ask the foreigner to pay. I know very well everything is not flourishing; in the United States also manufacturing concerns are closing down through over-production. I put it another way—not over-production, but under-consumption, lack of demand, inability of the people to purchase the goods that are being produced. We had war industries and over-stimulation; to-day we have industries that are over-developed, over-capitalized, and consequently burdened with too heavy overhead expenses. These are our troubles.

How do some members want to remedy these evils? They would put the tariff up a little higher, in other words charge the people a little more for the goods that even at the present time they are unable to buy. Because, Mr. Speaker, there is no other conclusion to be reached: if you are going to raise the tariff it must be for the purpose of raising the price of the manufactured product. I claim that to-day the trouble is not over-production, but inability on the part of the people to purchase the goods that are being produced.

Now a word in regard to the employees of some of our industries. I know very well what their feelings must be when they get slips in their pay envelopes such as we have received copies of. They are very human, they are people just like you and me. When they open their pay envelopes and find a slip to the effect that if a certain line of fiscal policy is followed the concern for which they are working will be closed down and consequently they will be out of employment, we can easily imagine their feelings. They are going to be afraid of losing their jobs, and therefore when they have the opportunity they will vote in favor of the policy which their employers tell them is the only policy by which the industry can be maintained. I think, Mr. Speaker, that this is a very unfair method to employ. No one presumably is prepared to deny the authenticity of these slips, some of which I have in my office upstairs.

Hon. gentlemen may laugh. They may think that an honorable way of doing business; I do not. It is the very cheapest kind of propaganda, for those engaged in it are not even paying advertising rates. We hear a great deal about maintaining the high standard of living of those engaged in Canadian industry. Of course, we are told that it can only be maintained by means of the tariff. The inference might be drawn that if you want to reduce the tariff, then, as a matter of course you want the workers in our factories to accept a lower standard of living. But in reality nothing is further from the fact. None of us want to see Canadian workmen forced to accept a lower standard of living. What are wages—real wages? What are the wages that the average working man or working woman gets to-day? Briefly these wages represent food, clothing, shelter, some luxuries, a little play, and something to lay by for a rainy day; that is what I may call adequate wages for working people. Forty years ago I happened to live very near a large manufacturing centre in Scotland—Galashiels and Selkirk. To-day the people there are carrying on just as industriously as they ever did. It is a long time to look back to, but my recollection of the people who were working in the large factories in that district at that time is this: The men and women were neatly dessed, and their standard of living forty years ago was just as good as the standard of living of our industrial population to-day. Such a statement may perhaps be questioned, but I think it is correct. I am inclined to believe that the standard of living of those employed in the free trade factories of England will compare favorably with the standard of similar workers in any protected industry in Canada at the present time.

To-day a dollar buys less in Canada than in any other country. The cost of living is high, the cost of production is high, and consequently our manufacturers are not able to compete in the outside markets. In a word, we are working round in a vicious circle. I know it is quite natural for a man in receipt of high wages to complain if his wages are reduced. But if you increase the purchasing power of his lower wages he will be just as well off. High wages deceive working men, for certainly they do not add anything to his well-being if everything he has to buy is high in proportion. This, as I said before, is the vicious circle. It may work out apparently satisfactorily while one industry is able to charge another industry high prices, but when the primary industries have to sell their products in the markets of the world they find themselves at the bottom of the pyramid and in the worst state of any class in the Dominion.

We have heard a good deal from time to time in this House about a protective tariff compelling American industries to establish branch factories in Canada. Well, I saw a statement the other day—I hope it is not true—that the economic control of Canada is rapidly passing to Wall street.

But what are the facts? What are the American industries now located in Canada doing to develop this country? They are owned by American capitalists, and a good many of them are absorbing Canadian concerns. But over and above all, most of these American factories are simply nothing more or less than assembling plants, established here to take advantage of our tariff. I do not think this is likely to develop our country to any very large extent. I saw a statement recently that 31 per cent. of our Canadian industries are connected in some way or other with American capitalists. This perhaps may not be true, yet I think probably it is truer than most people will admit. This, it seems to me, may be termed peaceful penetration. So when we boast about our tariff policy compelling American concerns to establish branch factories upon Canadian territory, the effect may be such as we had never contemplated. I am inclined to believe that our national structure will be built on a much safer basis, on a low tariff basis, on almost a free trade basis, rather than on a high protective tariff resulting in the establishment of American branch factories on this side of the line. American concerns have been assembling in their Canadian plants parts of American-made automobiles for export to Great Britain, thus securing the advantage of the British preference and putting money into their pockets.

Just a word in regard to our home market. We hear it remarked so often that the Progressive party have no use for the home market. I do not think anyone despises the home market. The home market is good, and we want all we can get of it. I would be only too happy if Canada could provide a home market for all its products at fairly reasonable prices, so that we might all live happily no matter what industry we are engaged in. But surely, surely, hon. members to my right who have been lauding the home market as the solution of our economic difficulties must realize that, measured by the progress we have been making under the National Policy, it will be generations before the home market can even begin to consume any large proportion of the products that are raised in this Dominion year by year. They have high protection in the United States, where there is a population of a hundred and ten millions. Hon. gentlemen tell us that the condition of the American farmer is a great deal worse than the condition of the Canadian farmer, yet in the same breath they say that if we had a larger and more diversified population the troubles of the farmer in this country would be over. The farmers in the United States are beginning to understand that when Canada reduces her imports there is a condition which militates against the prosperity of the agricultural population of the United States. But, Mr. Speaker, I believe the day is not far distant when we are going to see a change of policy in that country from the one that is at present being followed. The United States has prospered not because of a high tariff policy, but in spite of a high tariff policy. They have a varied climate, they have great natural resources, they have an immense area within which free trade prevails. Just imagine, if you can, the thirty-six nations of the old continent of Europe cutting down their tariff walls and following the example of the United States—because if they did that they would be doing no more than the United States is doing to-day. If that could be done we would have that old continent rejuvenated in a very short time; at least its condition would be a great deal better than it is now. The United States is no example of the benefits of a protective policy.

I want to say just a few words about the policy of the Progressive group in this House. I think I saw it stated in the Montreal Star the other day that the Progressive movement was more than a political movement and that there was a necessity for it from the economic point of view. The editorial went on to point out that the condition of agriculture, especially in the West, I think it said, was serious indeed, was almost tragic. I do not want to emphasize that any more than is necessary, but of course the Star had a different solution for these difficulties from that which the Progressives have been advocating in this House. At the same time I think it was a good deal for the Montreal Star to admit that we were not playing politics, that there was something more behind the Progressive organization than a political movement, that it was an economic necessity that brought the Progressives into the prominent part that they have been playing in the public life of this country. In fact, the Star admitted that there was good reason for their existence, that they came into existence because there was necessity for their being—I am paraphrasing the statement of the Star. I hope that we are not going to hear any more assertions to the effect that we are playing politics.

We have been the subject of a good deal of criticism from that quarter (Conservative) of the House during this session. It is the privilege and the opportunity of my hon. friends to do that, and if they are at all pleased to do it I am sure that hon. members on this side have no fault to find with it.

The flowing tide is with this movement. We are confident in the belief that the development of the primary industries will under more favourable conditions make for the prosperity of all the people, and of the secondary industries as well. We want something that will be for the benefit of Canada, not for the benefit of any particular province. We hear a great deal about the policy that was inaugurated by Sir John A. Macdonald, but we are not living in the Canada of Sir John A. Macdonald to-day. Vast commercial and economic changes have taken place in Canada since those days. A great new factor, a huge producing and consuming power, has come into Canadian life. Twenty-five years ago the western prairie provinces had little effect upon the public life or the commercial life of this country. Let any member of this House honestly ask himself what effect the crop prospects of western Canada have upon the whole Dominion at this time. Every year from springtime until the wheat begins to roll over the railways to the markets of the world, every man in business, every man engaged in manufacturing is watching the crop barometer to see what its effect will be on the business life of the whole community. Does anyone say that conditions are the same to-day as they were in the days of Sir John A. Macdonald? Are we forever to be tied up to traditions of that kind? Are we never to take any step forward? Is there to be no improvement? We have been passing through difficult times; we have been looking for help, for guidance, for a solution of our difficulties, and what are we getting from my hon. friends to my right? (Conservative.) A little higher tariff; increase the cost of production, they say, and all your difficulties will vanish. I am well aware that if you were to obliterate the tariff all our difficulties would not be solved, and I do not think any hon. gentleman in this part of the House will think differently. But we believe that a lowering of the tariff will help conditions materially for everyone concerned.

I repeat that there will be no real improvement until the cost of production has been lowered, and this is where industry can help. I do not believe that the condition of industry in Canada is so terribly bad as we are led to imagine. I cannot help but think that we have Canadians with enough intelligence, enough natural ability, enough business sense, given proper conditions, to produce in Canada and to compete with any country in the world. Why can we not do it, if we get the raw material and the labor? We are continually told that labor is higher here than it is in other producing countries. Well, I have questioned that, because wages have to be gauged by their purchasing power and the purchasing power of wages in Canada to-day is not much better than it is in a great many other countries. Of course, we are always asked to look to that highly protected country on the other side of the line, where wages are just as high as they are in Canada, and we are told that we cannot compete with that country of high wages. Sometimes you hear about "mass production," but we can never have mass production under the present circumstances. If you will allow me to make a personal remark. Mr. Speaker: when I was home at Easter the young man I have in charge there said he would like to get a double disc drill. I have two very good shoe drills—farmers will understand what I am talking about, and probably the rest of the House will. But this man is young and quite ambitious and I thought I would like to please him. I went over to the town and asked what was the price of a double disc drill. The reply was, $266. Well, I just gasped. I went home and I said "You had better cultivate ahead of the shoe drills and we will do without the double disc drills." That is exactly the position of the farmers on the prairies; they are unable to purchase the goods that are being produced. Will it help business if you add 10 per cent. to the price of that drill and make it almost $300? Will it make industry flourish and prosper to produce another drill that nobody will be able to buy? I want to be clear on this matter; I want to be fair and honest with my friends to my right, because I think if we coould really understand each other, perhaps there would not be so much difference in this House as there seems to be sometimes. I speak more particularly with regard to our implement manufacturers to-day; I think the trouble with the Massey-Harris Company, for instance, is not the cost of their production, but that they are not able to produce in sufficient quantities to make their business pay, in view of their overhead expense. I may be wrong, but that is my opinion, and we are not able to get that increased consumption until we get prices lowered, and I have been trying to show how we may be able to reduce prices.

I admit that in rehabilitating this country agriculture has to do its part. I am not going to tell industry and business that they have to do so and so and that agriculture can lie down and accept conditions as they are, even in carrying on its own business. Changed conditions require changed methods, but no artificial bolstering of weaklings will help business or the farmer. There must be business methods and industrious habits. I am not afraid of this country suffering from cheap goods. Sir Frederick Williams-Taylor—and I am sure my friends to my right will take his word, he is not a farmer by any means—made the statement the other day that prosperity cannot return to Canada until agriculture becomes prosperous.

Now I want to say a few words about wheat farming. I went down to that mining banquet to-day, and I wondered just on what terms I was there as a guest, and it struck me that perhaps I might be there as a wheat miner; but really I was not there in that capacity. We have very often heard the expression used in this House with regard to the wheat farmers of the West, that they are "wheat miners." I do not want to make any harsh statements about any members of the House, but I think my friends will admit that when they look over to this part of the House and talk of the wheat miner, it is not verv complimentary, to say the least. What is wrong with wheat production? Are we not all anxious to see how the wheat crop in the West is prospering, and how many million bushels are going to come East to grease the wheels of industry? Then why pour contempt on those who are producing that wheat? Mr. Speaker, the people who talk that way do not understand the conditions that have existed in western Canada during the opening up of that great country. It would have been an utter impossibility for that country to be opened up if wheat had not been produced in large quantities, and produced easily. That is how that country has been opened up, and that production is responsible for the factories that have

(Continued on page 16)

FEDERAL RESERVE WILL DISCOUNT FOREIGN PAPER

Credit Facilities For the Buyer of American Goods

TO HELP GERMANY

Idea is to Encourage the Exportation of Manufactures of the United States to European Countries

From Our Own Correspondent.

NEW YORK.—It is not likely that the McNary-Haugen Bill will become law, according to local Canadian bankers. The president is said to be unalterably opposed to the price-fixing program which the bill would sponsor. Much as he favors the farmer he is said to feel that this part of the bill would fail of its purpose, that of increasing the sale of American farm products in Europe.

Bankers who are unusually well informed regarding possible Washington policies, however, tell your correspondent that the administration is determined for political reasons to do everything possible to help the western graingrower. It is said that the president is therefore preparing to sponsor a program which will, he believes, have the effect of increasing European buying of American raw materials and foodstuffs.

The first steps in the direction of the carrying out of this program have already been taken by the Dawes Committee. The latest is the announcement by the Federal Reserve Board that it will regard the acceptances of the Schacht Gold Bank as eligible paper. In other words from now on the reserve banks may rediscount for their member banks, acceptances with the Schacht Gold Bank.

The importance of this announcement, according to one foreign banker with whom your correspondent has discussed the matter, cannot well be overestimated. As he pointed out, the credit recently extended to the Schacht Gold Bank through a syndicate headed by the International Acceptance Bank of this city, was "unlimited." While the first advance made by the syndicate was for $5,000,000, there is every reason for believing that this was intended to be a beginning only. The volume of acceptances which the syndicate is prepared to handle may well run into the tens of millions. It will apparently be limited only by the demand on the part of Germany for help in buying American products.

Means New Epoch

This organization on the part of the Schacht Gold Bank, the International Acceptance Bank and the Federal Reserve Board of the machinery whereby the credit facilities of the Reserve system may be placed at the disposition of the foreign buyer of American goods is generally regarded here as epoch making. It is regarded as epoch making because it may well be the beginning of a policy of financing foreign trade on the part of the Federal Reserve system that may be extended to cover other countries besides Germany. This will, of course, not only put a stop to the further contraction of the volume of American foreign trade but will solve the problem of what to do with the Federal Reserve system's excessive gold reserves. If it is decided to extend credit freely to Europe, and your correspondent is assured in several quarters that it is, subject to certain conditions, the excess gold which the United States has will in effect be used to finance European financial rehabilitation.

The announcement of the willingness of the Reserve Board to permit the rediscount of Schacht Bank acceptances is, however, regarded in some quarters here, as a gesture signifying the Board's willingness to help Europe, if Europe wishes to pay the price asked for this help. In other words the announcement is in effect the statement by the Board that it is ready to open its reservoirs of credit to European buyers, if Europe puts its affairs in such order that members' banks of the reserve system will be willing to buy its acceptances. The move on the part of the Board coming as it did so soon after the publication of the Dawes Report, may be regarded, from the point of view of those who look at things in this way, as a plain intimation on the part of the Board that the adoption of the Dawes plan and the eventual incorporation of the Schacht Gold Bank into the bank which the plan proposes, will mean that the credit resources of the United States will be opened for Europe.

To Develop Sodium Sulphate in West

From Our Own Correspondent.

NEW YORK.—A syndicate of American capitalists has taken an option on the sodium sulphate "lake" at Alsask, Sask., and has sent an expert to report upon the deposit.

If the sodium sulphate is as pure as Canadian reports indicate it is, development work will be started early in 1925.

Some 300,000 tons of sodium sulphate or Glauber's Salts are used annually in the United States and Canada. If the Alsask salts meet the specifications called for by the market the present option holders anticipate no difficulty in selling their output.

Most of the Glauber's Salts now used in industry is a synthetic product, a by-product of the manufacture of muriatic acid.

Western Building Better, While General Decline Exists in East

Building permit applications in April show a substantial falling off as compared with the same month a year ago. This is a continuation of a condition that has existed since the turn of the year. Taking the four-month period, the figures show conditions in the East are worse than in the West, for while 28 Eastern cities show a falling off in building of $7,147,720 for the third of a year, 16 Western cities show an increase of $418,313, which makes the total decline for the Dominion $6,729,407.

Reviewing the Western figures one finds that several cities have shown a material advance in building activity while no really serious loss has been suffered outside of perhaps Regina and Calgary. Vancouver shows a material activity.

Toronto, $3,503,951; Montreal, $3,462,517; both declines which tell the story of Eastern building. Conditions in the Maritimes are not at all bad, while three Quebec cities show an advance. Eleven of the 21 Ontario cities fell behind a year ago and there were other centres that joined with Toronto in piling up a substantial loss, while only one or two worthwhile advances are noted.

Taking April by itself it is found that the loss is perhaps heavier in the East than during the previous three months, as the 28 Eastern centres show a decline in the one month of $5,109,560, Toronto, Ottawa and Port Arthur contributing heavily to total. Winnipeg, Regina and Victoria all contributed about a like amount to the losses of the West which necessarily reduced its gain on the year. Moose Jaw and Vancouver each made material gains.

Eastern Cities

				— 4 months —		
	April, 1924	April, 1923	Change	1924	1923	Change
Maritimes—						
Halifax	$ 51,660	$ 35,040+	$ 16,620	$ 278,007	$ 85,745+	$ 192,262
Moncton	6,528	46,350—	39,822	20,114	47,945—	27,831
Sydney	27,775	15,628+	12,147	58,480	30,243+	28,237
Quebec—						
Montreal	2,690,615	6,913,572—	4,222,957	6,251,965	9,714,482—	3,462,517
Quebec	500,922	416,795+	84,127	938,497	681,970+	256,527
Sherbrooke	317,928	95,000+	222,928	329,478	136,300+	193,178
Westmount	476,975	236,400+	240,575	533,500	276,935+	256,565
Ontario—						
Brantford	25,225	92,415—	67,190	42,980	113,125—	70,145
Chatham	19,850	41,770—	21,920	60,950	52,320+	8,630
Fort William	112,920	37,900+	75,020	184,220	817,850—	633,630
Galt	18,050	15,746+	2,304	31,785	25,196+	6,589
Hamilton	840,150	611,825+	228,325	1,283,300	1,270,430+	12,870
Kingston	593,249	413,481+	179,768	656,831	430,291+	226,540
Kitchener	141,031	270,658—	129,627	309,366	441,847—	132,481
London	295,015	371,800—	76 785	696,305	817,960—	121,655
Oshawa	152,195	202,880—	50,685	281,345	300,155—	18,810
Ottawa	247,350	638,950—	391,600	487,685	796,600—	308,915
Port Arthur	25,680	629,355—	603,675	911,774	786,011+	125,763
Sarnia	102,815	111,056—	8,241	207,388	250,381—	42,993
S. Ste. Marie	31,390	27,963+	3.427	68,930	42,400+	26,530
St. Catharines	82,483	145,417—	62 934	200,259	180,127+	20,132
St. Thomas	70,550	22,081+	48,469	72,913	33,981+	38,932
Smiths Falls	2,380	11 675—	9,295	23,830	11,675+	12,155
Stratford	148,434	53,307+	95,127	191,452	95 612+	95,840
Toronto	2,463,275	3,230,590—	767,315	6,431,811	9,935,762—	3,503,951
Welland	13,630	77,325—	63,695	42 305	84,210—	41,905
Windsor	557,345	398,480+	158,865	1,272,856	1,525,645—	252,789
Woodstock	54,449	15,970+	38,479	94,672	125,520—	30,848
Tot. 28 E. cit.	$10,069,869	$15,179,429—	$5,109,560	$21,962,998	$29,110,718—	$7,147,720
York Twp.	708,550	......+	708,550	1,315,500	.....+	1,315,500
Western Cities						
Manitoba—						
St. Boniface	$ 21,315	$ 35,075—	$ 13,760	$ 97,602	$ 68,550+	$ 29,052
Winnipeg	317,900	448,850—	130,950	677,400	694,500—	17,100
Alberta—						
Calgary	85,320	120,000—	34,680	229,970	314,200—	84,230
Edmonton	117,315	152,200+	25 115	271.365	214.295+	57,070
Lethbridge	20,179	29,775—	9,596	46,597	78,840—	32,243
Med. Hat	7,000	5,060+	1,940	68,717	7,165+	61,552
Saskatchewan—						
Moose Jaw	168,900	80,716+	88,184	182,955	90,946+	92,009
Prince Albert	4,210	5,625—	1,415	12,735	35,775—	23,040
Regina	77,900	235,355—	157,455	153,235	298,265—	145,030
Saskatoon	88,420	83,578+	4,842	127,951	162,853—	34,902
Weyburn	......	1,475—	1,475	......	1,475—	1,475
Yorkton	17,875	9,800+	8,075	20,925	9,800+	11,125
British Columbia—						
Nanaimo	3,850	24,495—	20,645	20,675	48,560—	27,885
N. W'minster	43,380	35,580+	7,800	116,795	71,205+	45,509
Vancouver	400,175	334,306+	65,869	2,296,875	1,584,216+	712,659
Victoria	30,519	149,002—	118,483	124,215	349,054—	224,839
Tot. 16 W. cit.	$1,464,258	$ 1,750,892—	$ 286,634	$ 4,448,012	$ 4,029,699+	$ 418,313
G. T. 44 cit.	$11,534,127	$16,930,321—	$5,396,194	$26,411,010	$33,140,417—	$6,729,407

Robert Forke, Progressive Leader On Government's Fiscal Policy

(Continued from page 15)

been built in eastern Canada to supply agricultural implements to the people who are engaged in raising the wheat. I believe that for many, many years to come wheat growing is to be the one great industry of the three western prairie provinces. I have no hesitation in saying that, and it is no use talking of "wheat miners" in a contemptuous sort of way. If hon. members would only consider what it means to start and fertilize 640 acres—it might be possible to fertilize a five or ten or twenty acre farm—but when farming is conducted on the large scale on which it had to be conducted in the early process of opening up the West, it would be an utter impossibility. Wheat farming, while it does to a certain extent rob the soil, is an absolute necessity in opening up that country and building up industry there. It is that which enables the farmer to build his home and outbuildings, and buy his implements and all the other articles he needs to carry on production. In process of time, of course, there will be change. As I said before, changed conditions require changed methods, and in our older province of Manitoba a change is gradually taking place now, and no doubt in the future there will be more diversified farming carried on.

This brings me to say just a few words with regard to credit. I have not yet had the opportunity of reading Dr. Tory's report in regard to agricultural credits, and I have only this to say at the moment: There is a need for credit of some kind that will carry the farmer over from three to five years. I can imagine conditions in southern Manitoba to-day where the farmers who are aware that they cannot count on wheat as a safe crop may be willing to turn to mixed farming, and will need credit to carry them over that length of time in order to enable them to engage in more diversified farming. However, I want no credit that is just going to mean an increase of debt. I am perfectly well aware of the fact that in the West credit has been too easy to get in a great many instances, and it would have been a blessing sometimes if farmers had been refused credit when they were seeking it.

Courage is needed to-day by all sections of people in this Dominion. Whether we are engaged in industry, in commerce or in farming, we all need courage to face the difficulties that are ahead of us, and Mr. Speaker, I cannot but think at the present moment of the rural homes all over this Dominion. When we speak of the standard of living, I certainly do not want to see the standard of living reduced in the rural homes of this country, and I am perfectly sure that my friends to my right who have been speaking so much on behalf of our Canadian manufacturers will fully agree with me in that sentiment. We do not wish to see the standard of living reduced in our rural homes, but that is what is taking place to a very large extent to-day. Out on the prairies—and I speak of the prairies because I know conditions there, though I believe it is the same in other parts of Canada as well—the standard of living has dropped. There is no denying that fact. And if my blood stirs sometimes when I think of it, it is just because I know the conditions. I know what some of the heroic women who have done so much to develop that country have suffered, and it is no playing politics with me, I can assure you. But let us hope that a brighter day is dawning. Nations must learn, as individuals learn, that they cannot live to themselves alone, that when one prospers all will prosper to a certain extent.

In closing, I think that politically things look brighter to me in this Dominion than they have done for some time past. I think the hard spell is over. But there is one thing I would like to say to the Acting Minister of Finance (Mr. Robb) in regard to the customs tariff. To be candid, there is something about that dumping clause that I do not like. Something, no doubt, may be said in favour of it, I know it is a complicated question; but it does seem to me to place too much power in the hands of any minister when he is able at any time to enforce a measure of that kind that may actually amount to high protection, if it is not very carefully handled. I do not know what can be done, but I do hope that the government will have some solution, and that some understanding will be given to us before we are called upon to put the final seal of our approval upon the budget that is now before the House. I do not think anything can be said in favour of a minister having the power to put this clause in force at any time he chooses. I do not want the Acting Minister of Finance or any other member of the House to think that I am accusing them of having made a wrong use of this clause; my only object is to save them from themselves, to avoid placing temptation in their way. I hope that something can be done in that respect.

I wish also to say a word in reference to the amendment that has been moved. I am sure that the mover of that amendment (Mr. Woodsworth) is quite sincere, and that his intentions are good. There may be also some in my own party and group who may differ with me in this statement, but I say that the amendment, as moved at that time, was not in the best interests of the movement which we represent in this part of the Chamber. However, that is my own opinion; I am quite willing to let any other person have any different idea which he chooses to have. I suppose there will be a certain amount of what I may call "unholy glee" on the part of some who think this places the Progressives in a rather difficult position. Personally, I have felt no difficulty whatever, I am conscious that the course I am pursuing is the right course. It has seemed to me that if I voted for the amendment, which in reality would be a vote of want of confidence that I would have to vote against the budget also. That I think would be a mistake under present conditions. I know very well that out in the country—where it takes some time for information to percolate into all the different sections—some people will wonder why I should not be prepared to support an amendment that calls for a reduction of taxation on the necessities of life. However, I am not afraid, Mr. Speaker, but that with time and with full information, and when the whole statement has been received, I shall have the approval of the great mass of the people.

Now, I want to point out why I believe I could not support this amendment. I do not think that it accomplishes anything. I do not believe that it means anything, because it is only a gesture; and no one could suppose for a moment that it is likely to be carried by a majority of this House. On the other hand, there are two clauses in the amendment that I do not approve of, but disapprove of. One clause asks for a tax on unimproved land values. Now, I took the trouble during my campaign in Brandon of sending out hand bills stating that I was opposed to any plank of this kind. Other members of this House may not have done the same. Nevertheless that is my position in regard to that particular plank and my reason for doing so was this. For several years I had equalized the assessments in the province of Manitoba both urban and rural. I knew the actual conditions of property owners in that province. Nowhere did I know of a single individual who would not be willing to sell his land and sell it immediately at the amounts it was assessed at, and as a revenue producer this idea was absolutely and utterly useless—as far as Manitoba was concerned anyway.

In regard to succession duties let me say this. The province of Manitoba has a succession duty at the present time and I would be opposed to the Dominion entering into that field until there had been a conference between the federal and the provincial authorities as to the boundaries of taxation. I do believe that such a conference ought to take place, and that there should be no overlapping in this matter of taxation. The boundaries should be clearly fixed showing where the Dominion or the provinces should enter this field. But the provinces are in the field now. They need that amount of revenue and I think they ought to have it. I have spoken in this manner because I really do not know the exact position of all the members in this part of the House upon that question. Each member can vote to suit himself; if he does so there will be no recriminations, there will be no faultfinding. I believe that when a man acts according to his conscience he can always justify his actions.

I have always said that so far as we are concerned there will be no turning back. We have our faces toward the rising sun, and we are seeking to clear away the barriers of special privilege and afford equal opportunity to all. Since I commenced speaking some hon. members have alluded to bargains that have been made. I want to make the statement clearly and without any equivocation of any sort that I am under no obligation to any other group in this House, save and except the group that has done me the honour of electing me as its leader and has given me its friendship and its support. I utterly deny and repudiate the idea that there has been any bargaining, or any dealing of any kind whatever, between the members of this group and those of any other group in this House. I made the statement at the commencement of the present session that the government would get the support of the Progressives when they brought in progressive measures. This has been twisted and used in newspapers in all directions, and by hon. members to my right, to prove that I had made some arrangement with the government in regard to their support. I make exactly the same statement today that I did on the former occasion—if the government brings in progressive measures they will get Progressive support.

With this statement I shall close my remarks. I have faith in Canada. I have faith that in the future we are going to solve our difficulties. But if there are any in this House who believe that the day of the progressive movement is over in Canada they are badly mistaken. Great changes have taken place all over the world. We have a Labour government in Great Britain to-day.

Just have patience. We can look forward to changes in the country to the south of us. I am not a prophet but I predict that there will be vast changes in the economic and political life in the great republic to the south of us in the not distant future. We, Mr. Speaker, have reached no standing place in this movement at the present time. As I have already said our faces are toward the rising sun, and we are going to march forward unafraid. We are not going to go back into past history and say that what happened forty years ago must be maintained to-day. We realize that mankind has not made a very good job in the conduct of the world during the last century. When we think of conditions as we find them; when we look at Europe and think of the misery, the degradation, and the sufferings that have occurred, the tremendous blunders that man, in his so-called wisdom, has made in the government of the world, do we feel satisfied that we are moving just as we ought to move? Are we afraid of making some step forward? Mr. Speaker, I look to the future hopefully, and I am not afraid to step forward and to enter upon new and untrodden paths.

PROVINCE OF QUEBEC CITY OF THREE RIVERS

PUBLIC NOTICE IS HEREBY GIVEN that the Council of the City of Three Rivers will receive until the twenty-sixth day of May, 1924, at four o'clock p.m., at the office of the undersigned, written sealed tenders, endorsed "Tenders for City of Three Rivers Bonds," for the purchase of said City of Three Rivers Bonds, amounting to THREE HUNDRED AND NINETY THOUSAND DOLLARS ($390,000.00), issued for various purposes, under several by-laws, duly approved according to law, viz.:

A. By-Law No. 451—$335,000.00, dated May 1st, 1924, payable in a series of thirty (30) years, bearing interest at the rate of 5½% per annum, payable semi-annually, on the 1st day of May and November in each year;

B. By-Law No. 452—$55,000.00, dated May 1st, 1924, payable in a series of twenty (20) years, bearing interest at the rate of 5½% per annum, payable semi-annually, on the 1st day of May and November in each year.

Both the principal of those debentures and the interest thereon are payable at the holder's option, at the chief office of the Bank of Hochelaga, in the City of Montreal, or at any of the branches of the said Bank of Hochelaga in the City of Three Rivers, or in the City of Montreal, or in the City of Quebec. These bonds shall be issued in denomination of $100.00 or multiples of $100.00. The said tenders will be considered at the meeting of the Council of the City of Three Rivers, the 26th May, 1924, at eight o'clock p.m., or so soon thereafter as the Council or one of its Committees can do so. Every tender must be accompanied by a certified cheque equal to one per cent. of the par value of the issues. After the opening of the tenders, the cheques deposited by the tenderers whose offers are not accepted shall be handed back to them without delay, that of the tenderer whose offer is accepted shall be handed back to him after the execution of his contract, without interest. Every tender shall specify whether the price offered does or does not include the interest accrued on the debentures at the time of their delivery. The City of Three Rivers does not bind itself to accept any of the tenders.

Particulars of the issues and the table of maturity of debentures may be secured on application to the undersigned.

The Treasurer of the City of Three Rivers,
ARTHUR NOBERT.

Three Rivers, this seventh day of May, 1924.

DEBENTURES FOR SALE

TENDERS will be received by the undersigned till noon of Saturday, May 31st, 1924, for the purchase of $55,000.00 par value County of Brant Debentures with interest coupons attached at five per cent. per annum payable half-yearly, 1st January and July. Debentures dated 1st July, 1924. Principal payable in following yearly amounts on 1st July, 1925, $2,600.00; 1926, $2,700.00; 1927, $2,800.00; 1928, $2,900.00; 1929, $3,100.00; 1930, $3,200.00; 1931, $3,400.00; 1932, $3,600.00; 1933, $3,800.00; 1934, $4,000.00; 1935, $4,100.00; 1936, $4,300.00; 1937, $4,600.00; 1938, $4,800.00; 1939, $5,100.00.

Debentures will be issued in multiples of $100.00 to suit purchaser.

County assessment, $14,119,911.

Total debenture indebtedness, $268,271.63.

Population, 19,729.

Dated 7th May, 1924.

A. E. WATTS,
County Treasurer,
Court House,
Brantford.

Tenders for Debentures

SEALED TENDERS will be received by the undersigned until Monday, the 26th day of May, 1924, for $118,000.00 Waterworks Debentures of the Town of Smiths Falls, 30 instalments, 5½%. The highest or any tender not necessarily accepted.

Dated May 12th, 1924.

C. A. PATTERSON, M.D.,
Chairman of Finance Committee.

Canadian Pacific Railway Company

Dividend Notice

AT A MEETING of the Board of Directors held to-day a dividend of two and one-half per cent. on the Common Stock for the quarter ended 31st March last was declared from railway revenues and Special Income, payable 30th June next to shareholders of record at three p.m. on 2nd June next.

By Order of the Board.

ERNEST ALEXANDER,
Secretary.

Montreal, 7th May, 1924.

The Mexican Light and Power Company, Limited

5% Second Mortgage Fifty-Year Bonds

NOTICE IS HEREBY GIVEN that a half-year's interest on the 5% Second Mortgage 50-Year Bonds of The Mexican Light and Power Company, Limited, will be paid on and after the 1st of June, 1924, at the Bank of Scotland, London, England; at the Canadian Bank of Commerce, Toronto and Montreal, and at their Agency in New York, N.Y., against the surrender of Coupon No. 10, dated the 1st of December, 1916.

The Mexican Light and Power Company, Limited

R. H. MERRY, Secretary.
Toronto, May 15th, 1924.

THE CANADIAN BANK OF COMMERCE

Dividend No. 149

NOTICE IS HEREBY GIVEN that a dividend of Three per cent. upon the capital stock of this Bank has been declared for the quarter ending 31st May, 1924, and that the same will be payable at the Bank and its Branches on and after Monday, 2nd June next.

The Transfer Books of the Bank will be closed from the 17th May to 31st May next, both days inclusive.

By Order of the Board,

JOHN AIRD,
General Manager.

Toronto, 11th April, 1924.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after Monday, the SECOND day of JUNE next, to Shareholders of record of 30th April, 1924.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 25th April, 1924.

The Royal Bank of Canada

DIVIDEND No. 147

NOTICE IS HEREBY GIVEN that a DIVIDEND OF THREE PER CENT. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Monday, the second day of June next, to shareholders of record at the close of business on the 15th day of May.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., April 15, 1924.

Imperial Oil, Limited DIVIDEND

NOTICE is hereby given that a dividend of seventy-five cents per share has been declared by the Directors of Imperial Oil, Limited, and that the same will be payable in respect of shares specified in any Share Warrant of the Company within three days after the Coupon Serial Number Twenty of such Share Warrant has been presented and delivered to:

The Royal Bank of Canada,
Toronto, Ont.

or at the office of:

Imperial Oil, Limited,
56 Church Street,
Toronto, Ont.

such presentation and delivery to be made on and after the 2nd day of June, 1924.

Payment to Shareholders of record and fully paid up at the close of business on the 17th day of May (and whose shares are represented by Share Certificates) will be made on or after the 2nd day of June, 1924.

The books of the Company for the transfer of shares will be closed from the close of business on the 17th day of May, to the close of business on the 31st day of May, 1924.

BY ORDER OF THE BOARD,
E. V. A. KENNEDY,
Secretary.

IMPORTANT NOTICE
IMPERIAL OIL, LIMITED

NOTICE is hereby given that on and after the 2nd day of June, 1924, new Coupon Sheets will be issued to the holders of Bearer Share Warrants of this Company, upon surrender of the NUMBERED TALON attached to the bottom of the Share Warrant. This Talon should be detached from the Share Warrant Certificate, and forwarded by registered mail, insured, to the Office of the Secretary, Room 604, 56 Church Street, Toronto, Ontario.

At the earliest date possible after the receipt of this Talon, new Coupon Sheets bearing the same Serial Number as the Certificate from which the Talon is detached, will be returned in exchange therefor.

BY ORDER OF THE BOARD,
E. V. A. KENNEDY,
Secretary.

Canadian Pacific Change of Time

Effective Sunday, May 18th, important change in train schedules will be made. For full particulars apply any Canadian Pacific agent or District passenger agent, Toronto, Ont.